VESTIGATION RELATIVE TO WAGES AND PRICES OF COMMODITIES

TOPICAL DIGEST OF EVIDENCE

SUBMITTED IN

HEARINGS

HELD BEFORE THE

SELECT COMMITTEE OF THE SENATE

RELATIVE TO

WAGES AND PRICES OF COMMODITIES

WASHINGTON
GOVERNMENT PRINTING OFFICE
1910

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2

INVESTIGATION RELATIVE TO WAGES AND PRICES OF COMMODITIES

TOPICAL DIGEST OF EVIDENCE

143
482

SUBMITTED IN

HEARINGS

HELD BEFORE THE

SELECT COMMITTEE OF THE SENATE

RELATIVE TO

U.S. Cong. Senate.

WAGES AND PRICES OF COMMODITIES

WASHINGTON
GOVERNMENT PRINTING OFFICE
1910

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WASHINGTON
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1910

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JOSEPH F. JOHNSTON, Alabama.
ELLISON D. SMITH, South Carolina.
EDWARD T. CLARK, *Secretary*.
FRED C. CROXTON, *Statistician*.

WITNESSES IN HEARINGS HELD BEFORE THE SELECT COMMITTEE OF THE SENATE RELATIVE TO WAGES AND THE PRICES OF COMMODITIES.

[The figures in Roman numerals refer to the digest and those in Arabic refer to the hearings.]

WAGES AND PRICES OF COMMODITIES.

I. Trend of Prices for the last Ten to Fifteen Years.

II. Causes of High Prices.

III. Wages.

TOPICAL DIGEST OF EVIDENCE.

I. TREND OF PRICES FOR THE LAST TEN TO FIFTEEN YEARS.

A. General Statements.

1. PRICES OF FARM PRODUCE.

a. Cattle and other live stock.—Secretary Wilson, of the Department of Agriculture, says that an inquiry made into the original prices of "beef" on the farm—i. e., cattle on grass—for the last twelve years shows that the price has varied very little in that time. The price of fat cattle has varied on the market, however; in Chicago and all markets it has gone up without question.

Mr. Murdo Mackenzie, a stock raiser of Colorado, with cattle ranches in Texas and South Dakota, says that for a number of years the price of cattle has varied very little; last year corn-fed cattle were scarce and the price of grass-fed cattle went up, and since 1909 there has been a more or less steady rise.

Mr. S. H. Cowan, attorney for the Cattle Raisers' Association of Texas and for the American Live Stock Association, states that prices of cattle have increased and are destined to go on increasing owing to conditions limiting production, and in view of the increasing population of the United States; that the American people will never have cheap meat again—i. e., cheap compared to what it has been in the past and is to-day.

Mr. Cowan submitted a list of questions to various ranchmen of the Southwest, touching upon the present and past values of their stock and land, cost of supplies, etc. The answers secured all indicate that the value of their cattle has gone up. The statements follow:

ESTIMATES BY CATTLE RAISERS OF THE PRESENT VALUE OF THEIR CATTLE ON THE RANGE COMPARED WITH THE VALUE OF SUCH CATTLE AT FORMER PERIODS.

Statement of James Callan, Fort Worth, Tex.

	Present value per head (1910).
Yearling steers	$20.00
Two-year steers	25.00
Three-year steers	32.00

Value of these steers two, four, and six years ago about 25 per cent less than these figures.

Statement of J. D. Jackson, Alpine, Tex.

	Present value per head (1910).
Yearling steers	$19.00
Two-year steers	24.00
Three and four year steers (poor)	36.00
Yearling heifers	17.00
Female cattle	25.00

This stock worth on an average of $6 less per head four to six years ago.

Statement of A. S. Gage, San Antonio, Tex.

	Value per head.		
	Present (1910).	Two years ago.	Six years ago.
Yearling steers	$17.00	$14.00	$11.00
Two-year steers	22.50	18.00	17.00
Three-year steers	28.00	24.00	22.50
Four-year steers	35.00	28.00	27.00
Female cattle	17.00	15.00	14.00

Statement of A. B. Robertson, Fort Worth, Tex.

	Value per head.	
	1910.	1900.
Yearling steers	$20.00	$16.00
Two-year steers	$25.00-26.00	20.00
Three-year steers	30.00-35.00	25.00

Statement of W. D. Reynolds, Fort Worth, Tex.

	Value per head.	
	Present (1910).	Two to four years. ago.
Yearling steers	$17.00	$15.00
Two-year steers	22.00	20.00
Matured	30.00	25.00
Yearling heifers	14.00	12.00
Cows	18.00	15.00

Statement of J. B. Sears, Cisco Oil Mill, Cisco, Tex.

Average prices received for cattle annually for the following years:

1906	$27.00
1907	36.27
1908	31.48
1909	45.10
1910	48.11

Statement of Earl Baldridge and Lee Russell, Fort Worth, Tex.

Prices paid f. o. b. at Brady, Tex., for 3-year-old steers:

1904	$17.00
1905	18.00
1906	20.00
1907	22.00
1908	23.00
1909	25.00
1910	28.00

Values of grass-fed steers, 4 and 5 years old, per 100 pounds:

1904	$3.25
1908	4.25
1909	4.60-4.80
1910	5.87½

Statement of George W. Littlefield, Austin, Tex.

Herd.	Average value of cattle in several herds now as compared with two and six years ago.		
	1910.	1908.	1904.
(A)	$23.00	$16.00	$12.00
(B)	27.50	22.00	16.00
(C)	25.00	....	....
(D)	27.50	....	....

Statement of F. S. Hastings (manager for Swenson Bros.), Stamford, Tex.

	Value per head.	
	1910.	Three or four years ago.
Yearling steers	$20.00	$18.00
Two-year steers	28.00	24.00
Yearling heifers	17.00	14.00
Two-year heifers	21.00	18.00
Cows	27.00	22.00

Statement of C. W. Merchant, Abilene, Tex., and Carlsbad, N. Mex.

	Value per head.	
	1910.	Four to six years ago.
Yearling steers	$18.00	$14.00
Cows	20.00	15.00
Bulls	50.00	50.00

Average value for cattle, 1910, $21.75.

Statement of C. A. Broome, San Angelo, Tex.

	Value per head.	
	1910.	Two to six years ago.
Yearling steers	$16.00-$18.00	$12.00-$15.00
Two-year steers	23.00- 25.00	17.00- 20.00
Three-year steers	28.00- 32.00	23.00- 25.00

Statement of Cyrus B. Lucas, Berclair, Tex.

	Value per head.	
	1910.	Four to six years ago.
Yearling steers	$18.00	$13.00
Two-year steers	25.00	20.00
Three-year steers	$30.00-35.00	$20.00-25.00
Four-year steers	40.00-60.00	25.00-40.00

Statement of J. H. P. Davis, Richmond, Tex.

	Sale value per head.			
	1910.	1908.	1906.	1904.
One-year-old steers	$15.00	$12.00	$11.00	$11.00
Two-year-old steers	20.00	17.00	15.00	15.00
Three-year-old steers	25.00	21.00	18.00	18.00
Four-year-old steers	35.00	26.00	23.00	22.00
Cows	25.00	17.00	15.00	13.00
Average price per head	24.00	18.60	16.40	15.80

Statement of S. T. Bitting, Carlsbad, N. Mex.

	Present value per head, 1910.
Two-year steers	$22.50
Cows	16.00

An advance of about $3 per head over the last six to ten years.

Statement of C. T. Herring, Amarillo, Tex.

	Value per head.	
	1910.	Two, four, and six years ago.
Yearling steers	$18.00	$15.00
Two-year steers	25.00	22.00
Three-year steers	32.00	30.00

Statement of Amada E. Garcia, Laredo, Tex.

	Value per head.	
	1910.	1908.
Steers, three years and up	$35.00	$15.00
Stock cattle	20.00	$8.00-12.00

Mr. Peter W. Peterson, of Vermillion, S. Dak., who has a stock and grain farm, presents a statement showing the prices paid the farmer for the last ten years for these products in Vermillion. The figures were obtained from the books of M. D. Thompson, who, Mr. Peterson says, is the principal dealer in the town. Prices of hogs per 100 pounds have been as follows:

Year.	Range.	Average.	Year.	Range.	Average.
1900	$4.15-$4.75	$4.50	1906	$4.50-$6.20	$5.47
1901	4.50- 6.00	5.25	1907	3.75- 6.50	5.28½
1902	5.50- 7.35	6.39	1908	3.90- 6.50	5.11
1903	4.00- 7.00	5.52	1909	5.30- 8.00	6.53
1904	4.00- 5.40	4.65	1910	8.00-10.50	9.30
1905	4.00- 5.55	4.73			

Mr. Power, of Power, N. Dak., who has a large cattle and grain farm, submits the following data showing the prices which he received for hogs, sheep, wool, and cattle. The prices for hogs are those received at St. Paul; for sheep, the prices are local, and for cattle, the prices are those received at the Twin City Stock Yards, Minneapolis, for October and November sales.

Received for hogs, sheep, and wool.

	Hogs, 150 to 275 pounds.	Sheep.		Wool.
		Ewes.	Lambs.	
1909	$7.75	(a)	(a)	$0.25
1908	$3.12- 5.25	$3.25	$4.50-$6.00	.15
1907	5.40- 6.30	5.00	7.00	.25
1906	5.70	5.50	7.00	.25
1905	4.50- 5.05	4.50	6.75	.25
1904	4.65	3.60	4.00- 5.35	.17½
1903	4.00- 4.75	2.75	4.35	.17
1902	5.00- 5.85	$2.35- 3.50	4.60	(b)
1901	(a)	(c)	(c)	(b)
1900	4.00- 4.75	3.60- 3.90	4.50	.18

[a] No shipments. [b] Memorandum of wool sales mislaid. [c] No separate record.

Prices received at Twin City Stock Yards, Minneapolis, for cattle, October and November sales.

	Feeders, 800-1,100 pounds.	Canners, 700-900 pounds.	Fat, i. e., average steers, 1,200-1,350 pounds.	Butcher cows, 1,000-1,200 pounds.
1909	$3.50-$5.50	$2.35	$5.50-$6.75	$3.50-$4.75
1908	....	2.15	4.00- 4.75	3.25- 3.75
1907	3.25	2.15	4.25	3.25- 3.75
1906	3.50	2.20	4.25- 5.85	3.10- 3.50
1905	....	1.90	....	2.25- 3.50
1904	2.00- 2.75	....	[a]3.50	2.80- 3.50
1903	....	....	4.00	2.25
1902	3.40	$2.00- 2.75	4.50	....
1901	....	....	4.00- 4.60	3.00-3.60
1900	....	....	4.00	....

[a] Average, 1,050 pounds.

NOTE.—Freight, commissions, yardage, and shrinkage in transit averages close to 35 cents per hundredweight—to be deducted from above to give net proceeds at farm.

Mr. JOHN H. SHEPPERD, dean of the Agricultural College at Fargo, N. Dak., submits the following tables showing prices for hogs, sheep, and cattle:

Price paid or received for cattle, per 100 pounds, on the dates specified.

Year and season.	Feeders.			Fat.		
	Low.	High.	Average.	Low.	High.	Average.
1910—Spring	....	....	$4.75	....	....	$6.50
1909—Fall	$1.50	$4.75	3.00	$3.90	$8.25	6.45
Spring	1.85	4.85	3.30	4.50	6.30	5.80
1908—Fall	1.00	4.00	3.00	3.00	7.00	4.85
Spring	1.25	5.05	3.55	3.75	6.40	5.15
1907—Fall	1.00	3.80	2.40	3.20	6.45	4.85
Spring	1.00	4.35	2.75	3.35	5.90	4.60
1906—Fall	1.00	4.10	2.40	2.90	6.00	4.40
Spring	....	....	....	....	....	....
1905—Fall	.75	4.45	2.50	2.00	7.45	4.70
Spring	....	....	....	....	....	....
1904—Fall	.75	4.50	2.50	2.35	11.00	6.50
Spring	....	....	....	....	....	....
1903—Fall	.75	4.20	2.60	2.35	7.35	4.65
Spring	....	....	....	....	....	....
1902—Fall	.95	5.00	3.00	2.60	8.00	5.30
Spring	....	....	....	....	....	....
1901—Fall	.80	4.15	2.45	2.60	11.00	6.80
Spring	....	....	....	....	....	....
1900—Fall	1.50	4.40	2.95	2.90	10.00	6.45
Spring	....	....	....	....	....	....

Prices received for hogs and sheep, per 100 pounds, on the dates specified.

Year and season.	Hogs, fat.			Sheep.		
	Low.	High.	Average.	Low.	High.	Average.
1910—Spring			$8.50			$6.35
1909—Fall	$6.10	$7.60	6.80	$1.25	$6.85	4.35
Spring	5.05	6.55	5.95	2.00	7.50	4.75
1908—Fall	3.85	6.00	4.60	1.00	5.75	3.25
Spring	3.15	6.10	5.40	2.00	6.75	5.00
1907—Fall	2.75	6.50	4.50	1.00	6.70	3.00
Spring	5.00	5.45	4.50	2.00	7.50	5.50
1906—Fall			5.00	2.00	7.50	5.50
Spring						
1905—Fall			4.00	1.75	7.25	5.30
Spring						
1904—Fall			4.25	.75	6.75	3.40
Spring						
1903—Fall			4.80	.65	7.00	3.70
Spring						
1902—Fall			5.90	.65	6.25	3.25
Spring						
1901—Fall			5.05	.70	5.25	2.75
Spring						
1900—Fall			4.00	1.00	6.60	3.75
Spring						

The CHAIRMAN also inserts in Mr. Shepperd's testimony data from the United States Bureau of Labor showing the prices of sheep in the last twenty years. The statement follows:

Year.	Sheep, native.		Sheep, western.	
	Average price per 100 pounds.	Relative price.	Average price per 100 pounds.	Relative price.
Average, 1890-1899	$3.7580	100.0	$3.9541	100.0
1890	4.5284	120.5	4.6644	118.0
1891	4.5106	120.0	4.5719	115.6
1892	4.7798	127.2	4.8695	123.2
1893	3.8781	103.2	4.1255	104.3
1894	2.6957	71.7	2.9808	75.4
1895	2.9495	78.5	3.0943	78.3
1896	2.9322	78.0	3.1411	79.4
1897	3.4971	93.1	3.7692	95.3
1898	3.9250	104.4	4.1625	105.3
1899	3.8837	103.3	4.1615	105.2
1900	4.1236	109.7	4.5207	114.3
1901	3.3519	89.2	3.7442	94.7
1902	3.7817	100.6	4.1784	105.7
1903	3.7101	98.7	3.8769	98.0
1904	4.1457	110.3	4.2608	107.8
1905	5.0529	134.5	5.0798	128.5
1906	4.9481	131.7	5.2793	133.5
1907	4.8962	130.3	4.8835	123.5
1908	[a] 4.9505	[a] 112.3	[b] 4.8115	[b] 109.6
1909	[a] 5.4303	[a] 123.2	[b] 5.2707	[b] 120.1
1909.				
January	[a] 5.4688	[a] 124.1	[b] 5.3500	[b] 121.9
February	[a] 5.3875	[a] 122.2	[b] 5.3375	[b] 121.6
March	[a] 5.9000	[a] 133.8	[b] 5.8600	[b] 133.5
April	[a] 5.9875	[a] 135.8	[b] 5.9188	[b] 134.8
May	[a] 6.4800	[a] 147.0	[b] 6.5050	[b] 148.2
June	[a] 5.6188	[a] 127.5	[b] 5.5438	[b] 126.3
July	[a] 5.0813	[a] 115.3	[b] 4.8313	[b] 110.1
August	[a] 4.9550	[a] 112.4	[b] 4.6450	[b] 105.8
September	[a] 4.9563	[a] 112.4	[b] 4.8313	[b] 110.1
October	[a] 4.6938	[a] 106.5	[b] 4.4813	[b] 102.1
November	[a] 4.8938	[a] 111.0	[b] 4.3875	[b] 100.0
December	[a] 5.4700	[a] 124.1	[b] 5.2600	[b] 119.8
1910.				
January	[a] 6.0100	[a] 136.4	[b] 5.8350	[b] 133.0
February	[a] 7.1667	[a] 162.6	[b] 7.0250	[b] 160.1
March	[a] 8.3750	[a] 190.0	[b] 8.2750	[b] 188.6

[a] Sheep: Wethers, good to fancy. [b] Sheep: Wethers, plain to choice.

Mr. DANIEL L. KELEHER, of Orion, Ill., a stock farmer and cattle feeder, presents a statement showing the prices received for cattle and hogs on the Chicago market, as follows:

Average prices of cattle and hogs, per 100 pounds, on the dates specified.

Year and season.	Cattle.		Hogs, heavy.
	Feeders, average.	Heavy.	
1910—Spring	$5.75	$8.25	$10.00
1909—Fall	(a)	7.30	7.45
Spring			....
1908	(a)	6.95	5.75
1907	(a)	6.50	6.05
1906	(a)	6.20	6.25
1905	(a)	5.85	5.25
1904	(a)	5.70	5.15
1903	(a)	5.20	6.00
1902	(a)	7.25	6.95
1901	(a)	5.95	5.90
1900—Fall	3.75	....	5.06
Spring	....	5.55	

a Price has ranged from $4 to $5 for the last ten years.

Mr. CHARLES W. ROBERTSON, of Abingdon, Ill., who is in the same business as Mr. Keleher, namely, buying range cattle and fattening them for market, presents a statement showing the advance in the price of both range cattle which he buys and the fat cattle which he sells, as follows:

Price of cattle per 100 pounds on the dates specified.

Year and season.	Feeder.			Fat.		
	Low.	High.	Average.	Low.	High.	Average.
1910—Spring	$5.00	$7.00	$6.00	$5.50	$8.20	$6.85
1909—Fall	4.50	5.25	4.87½	4.50	7.50	6.00
Spring	4.40	5.60	5.00	....	....	....
1908—Spring	4.10	4.80	4.45	4.00	8.40	6.20
1907—Spring	3.75	4.60	4.20	3.95	8.00	6.00
1906—Spring	3.70	4.15	3.90	3.90	7.90	5.90
1905—Spring	3.25	4.20	3.60	3.00	6.85	4.90
1904—Spring	....	....	3.50	3.35	7.65	5.50
1903—Spring	....	....	3.50	3.35	6.85	5.10
1902—Spring	....	....	3.50	3.60	9.00	6.30
1901—Spring	....	....	3.50	3.60	9.00	6.30
1900—Spring	....	....	3.50	3.90	7.50	6.70

b. Grain and feed.—Secretary WILSON, of the Department of Agriculture, says that the price of corn and grain has gone up. Twelve years ago corn in Iowa was 10 cents a bushel; now it is 60 cents. As corn went up meat increased. Everything that comes from grain increased as the price of grain went up.

Mr. MACKENZIE (cattle raiser) says that the price of grain and feed has gone up so high that it scarcely pays to feed it to cattle. Grain is now 60 or 70 cents a bushel, while Mr. MacKenzie can remember the time when he bought it for 12 cents a bushel.

Mr. COWAN, attorney for the Cattle Raisers' Association, quotes Mr. Ike T. Pryor, a cattle grower, as saying that the cost of feed

necessary to put a steer in prime marketable condition, when compared with the selling price of the animal thirty years ago, amounted to 19 per cent of the latter; twenty years ago, 26 per cent; ten years ago, 36 per cent; and at the present time, 45 per cent. Mr. Pryor says:

I assert without fear of contradiction beef has made less per cent of gain in the past ten years than any feed necessary to put the beef in prime marketable condition.

Mr. Peter W. Peterson (grain and stock farmer) gives figures covering the local market prices of wheat, corn, oats, and flax for the last ten years. These figures were compiled for Mr. Peterson by Mr. Thompson, a local dealer in Vermillion. They run as follows:

The highest and lowest and average market price paid for grain at the office of M. D. Thompson, Vermilion, S. Dak., 1900–1910.

[Compiled from figures furnished by P. W. Peterson, April 25, 1910.]

Year.	Wheat, per bushel.		Corn, per bushel.	
	Range.	Average.	Range.	Average.
1900	$0.55–$0.67	$0.59¾	$0.23–$0.28	$0.26
1901	.50– .63	.58	.26– .55	.39¼
1902	.44– .67	.59	.43– .55	.49
1903	.50– .69	.62½	.25– .50	.36½
1904	.48– 1.04	.75½	.26– .45	.35
1905	.51– .91	.88½	.28– .42	.35
1906	.56– .71	.66½	.27– .40	.33
1907	.58– .88	.78	.27– .54	.40
1908	.70– .97	.87	.50– .71	.58¼
1909	.79– 1.21	1.05¼	.48– .66	.56¼
1910	(a)	.95	.42– .50	.45

Year.	Oats, per bushel.		Flax, per bushel.		Barley, per bushel.	
	Range.	Average.	Range.	Average.	Range.	Average.
1900	$0.17–$0.20	$0.18¾	$1.27–$1.35	$1.30¾	(a)	(a)
1901	.25– .38	.32½	1.20– 1.50	1.35¾	(a)	(a)
1902	.20– .41	.30	.90– 1.17	1.06	(a)	(a)
1903	.21– .35	.27	.71– 1.00	.85	(a)	(a)
1904	.20– .32	.26	.95– 1.03	.98	(a)	(a)
1905	.16– .25	.22½	.76– .97	.85	(a)	$0.24
1906	.21– .30	.25½	.75– .94	.87½	(a)	.28
1907	.25– .43	.34½	1.02– 1.16	1.09	(a)	.50½
1908	.40– .47	.43	(a)	1.08	(a)	(a)
1909	.25– .50	.42	1.25– 1.45	1.30	$0.45–$0.56	.50
1910	(a)	(a)	(a)	(a)	(a)	(a)

a Not reported.

Mr. John H. Sheppard (dean of the Agricultural College at Fargo, N. Dak.) submits estimates of the average prices received for grain as follows:

Average price received for rye and flax on the dates specified.

Year and season.	Rye, per bushel (average).	Flax, per bushel (average).
1910—Spring	$0.62	$2.27
1909—Fall	.61	1.54
Spring	...	1.63
1908—Fall	.62	1.28
Spring	...	1.06
1907—Fall	(a)	1.03
Spring	...	1.04
1906—Fall	.47	1.06
Spring	...	1.03
1905—Fall	.50	.87
Spring	...	1.28
1904—Fall	.60	1.05
Spring	...	1.00
1903—Fall	.43	.83
Spring	...	.94
1902—Fall	.43	1.15
Spring	...	1.60
1901—Fall	.43	1.25
Spring	...	1.54
1900—Fall	.41	1.62
Spring	...	1.55

a Quotation not secured.

Price received for wheat and oats on the dates specified.

Year and season.	Wheat, per bushel.			Oats, per bushel.		
	Low.	High.	Average.	Low.	High.	Average.
1910—Spring	$0.99	$1.01	$1.00	$0.35	$0.35	$0.35
1909—Fall	.85	.90	.87½	.26	.26	.26
Spring	1.03	1.09	1.05	.43	.46	.45
1908—Fall	.88	...	...	.35	.42	.38
Spring	.90	.92	.91	.40	...	...
1907—Fall	.88	1.09	.87	.30	.52	.41
Spring	.70	.76	.73	...	...	...
1906—Fall	.60	.72	.63	.25	.39	.32
Spring	.68	.74	...	...	...	...
1905—Fall	.68	.79	.69	.21	.30	.25
Spring	.84	1.17	...	...	...	...
1904—Fall	.94	1.08	.81	.24	.42	.33
Spring	.78	.85	...	...	...	...
1903—Fall	.67	.81	.63	.27	.41	.34
Spring	.64	.70	...	...	...	...
1902—Fall	.54	.63	.58	.21	.52	.36
Spring	.59	.66	...	...	...	...
1901—Fall	.56	.61	.54	.20	.44	.32
Spring	.52	.65	...	...	...	...
1900—Fall	.62	.69	.58	.17	.22	.20
Spring	.53	.55	...	...	...	...

Mr. J. B. Power, of Power, N. Dak., (cattle and grain farmer), says that the increased cost of feeding grains is the prime cause of advancing prices of meat-producing animals on the hoof. The average price of feeding corn on the Chicago market in 1904 was 50 cents a bushel; in 1909, 57 cents. Mr. Power presents a statement showing the prices he has received at the farm for grain in the last ten years. The figures were compiled entirely from Mr. Power's own records and show the price received at the farmer's elevator, within 7 miles of the farm. The prices follow:

Prices received at farm for wheat, oats, and barley.

(Average of sales made.)

Year.	Spring wheat, per bushel.	Oats.	Barley.
1909	$1.00	$0.35	$0.50
1908	.99½	.45	.65
1907	.89½	.40	.75
1906	.72¼	.30	.50
1905	.69¾	.25	.50
1904	.85	.25	.50
1903	.77	.30	.48
1902	.63	.30	.45
1901	.68½	.37	.45
1900	.60	.33	.45

NOTE.—As a rule, the wheat is sold before close of each year.

Mr. DANIEL L. KELEHER (cattle feeder), says that corn and hay have materially advanced in price the last few years. Mr. Keleher raises a large portion of his feed. He says hay has doubled in price and submits the following statement of prices for oats and corn:

Price of corn per bushel on the dates specified.

Year and season.	Corn.		
	Low.	High.	Average.
1910—Spring	$0.50	$0.56	$0.53
1909—Fall	.56	.67	.56½
Spring	.57½	.70	.63
1908—Fall	.72	.72	.72
Spring	(a)	(a)	(a)
1907—Fall	.50	.60	.55
Spring	.37½	.37½	.37½
1906—Fall	.39½	.45	.41½
Spring	.43½	.43½	.43½
1905—Fall	.45	.50	.47½
Spring	.42	.50	.46
1904—Fall	(a)	(a)	(a)
Spring	.33	.42	.37½
1903—Fall	.46	.50	.48
Spring	.38½	.38½	.38½
1902—Fall	.54½	.62	.58
Spring	.55	.60	.57½
1901—Fall	.50½	.63	.56
Spring	.32	.35	.34½
1900—Fall	.31	.35	.33
Spring	(b)	(b)	(b)

a None bought. b No record.

Price of oats per bushel on the dates specified.

Year.	Oats.		
	Low.	High.	Average.
1909	$0.36½	$0.62½	$0.50
1908	.46	.60½	.53
1907	.33½	.56¼	.45
1906	.28¾	.42¾	.35
1905	.25	.34¼	.29½
1904	.28¼	.46	.36
1903	.31¼	.45	.38
1902	.25	.56	.40½
1901	.23¼	.48¼	.35¾
1900	.21	.26¼	.23½

Mr. CHARLES W. ROBERTSON (cattle feeder) testifies that there has been an advance in all kinds of feed since 1900. Hay, he thinks, has doubled in that time. Mr. Robertson buys practically all the feed he uses. For prices of wheat, corn, and oats he presents the following figures:

Price of corn per bushel on the dates specified.

Year and season.	Corn (average).
1910—Spring	$0.58
1909—Fall	.60
Spring	.65
1908—Fall	.68
Spring	....
1907—Fall	.53
Spring	....
1906—Fall	.42
Spring	....
1905—Fall	.53
Spring	....
1904—Fall	.50
Spring	....
1903—Fall	.47
1902—Fall	.65½
1901—Fall	.52
1900—Fall	.40

Price of wheat and oats per bushel on the dates specified.

Year and season.	Wheat (average).	Oats (average).
1910—Spring	$1.05	$0.38
1909—Fall	1.29½	.44½
1908—Fall	.97¾	.50¼
1907—Fall	.88	.45
1906—Fall	.82	.35¾
1905—Fall	1.01	.29¾
1904—Fall	1.06½	.37½
1903—Fall	.81½	.38¾
1902—Fall	.81½	.40¼
1901—Fall	.71½	.35¼
1900—Fall	.74½	.28¾

(*c*) *Cotton*.—Mr. R. MAYS CLEVELAND, a cotton planter of Marietta, S. C., testifies that both cotton and cotton seed have gone up in the last few years. In January, 1905, cotton was 6 cents a pound; in July of the following year it was selling at 10½ cents, and at the expiration of three years it reached 13 cents. Mr. Cleveland thinks that cotton seed has doubled in value within the last six or seven years. Four or five years ago cotton seed was $16 a ton, and it has been going up gradually ever since; from $16 to $18, and last year to $20, while this year it is $32 a ton.

Mr. Cleveland furnishes a statement of the prices of cotton and cotton seed for the last six years, as follows:

Price per pound received for cotton and price per ton received for cotton seed.

Year.	Cotton.		Cotton seed, price per ton.
	January.	May.	
1909	$0.14	$0.15	$30.00–$32.00
1908	.13	.13	20.00
1907	.12½	.13	18.00– 19.00
1906	.11	.12½	17.00
1905	.10	.11	16.00
1904	.06	[a] .10½	....

[a] July.

Mr. R. P. STACKHOUSE, a cotton planter of Dillon, S. C., presents statements of prices received for cotton and cotton seed in his locality in the last ten years. The prices for cotton were secured from a merchant in the town who buys cotton, while the figures showing the price of seed were furnished by the manager of the Southern Cotton Oil Company in Dillon, who quotes prices paid for seed by the oil mill. The statements follow:

[Dillon Oil Mill, branch of the Southern Cotton Oil Company.]

DILLON, S. C., *May 16, 1910.*

Mr. R. P. STACKHOUSE, *Dillon, S. C.*

DEAR SIR: As per your request, I have quoted prices that we paid for seed from years 1900–1901 to 1909–10, inclusive. The past three years are accurate, but the remaining seven I named from memory, as I did not have time, on the short notice you gave me, to look up our records.

I am quite confident that the figures, on a whole, are practically correct, and I trust they will serve your purpose.

With best wishes, I am, yours, truly,

J. H. DAVID, *Manager.*

Price per ton received for cotton seed.

Year.	Price.	Year.	Price.
1909–10	$31.80	1904–5	$17.75
1908–9	19.52	1903–4	17.50
1907–8	22.22	1902–3	17.25
1906–7	18.50	1901–2	17.00
1905–6	18.00	1900–1901	16.75

Price per pound received for cotton.

Year.	January.	May.	October.	Year.	January.	May.	October.
	Cents.	*Cents.*	*Cents.*		*Cents.*	*Cents.*	*Cents.*
1910	13½	14		1904	15	15	9½
1909	9½	10½	12½	1903	8¾	10	10¼
1908	11½	11½	9	1902	7¾	9	8
1907	10	10¼	11¼	1901	9	7½	8
1906	10¾	11	11	1900	7½	9	10
1905	7½	7½	10½				

Mr. J. C. HICKEY, of Henderson, Tex., a banker and cotton grower, submits the following figures, showing prices received for cotton and cotton seed:

Price per ton received for cotton seed.

Year.	Price.	Year.	Price.
1909	$20.00–$30.00	1904	$12.00–$15.00
1908	12.00– 19.00	1903	12.00– 15.00
1907	12.50– 15.00	1902	12.00– 15.00
1906	10.00– 14.00	1901	12.00– 18.00
1905	10.00– 14.00	1900	12.00– 18.00

Price per pound received for cotton.

Year.	January.	May.	October.
1910	\$0.13 –\$0.15	\$0.13½–\$0.14¼	....
1909	.09	.09½– .10	\$0.13
1908	.10 – .11⅝	.09 – .10¼	.09
1907	.09½– .10	.10 – .10½	\$0.10½– .11½
1906	.11½	.10 – .10½	.09½– .10½
1905	.05¾– .06¼	.06¼– .07¼	.09¼– .10⅝

2. WHOLESALE PRICES.

a. MANUFACTURED ARTICLES: (1) *Cotton Cloth.*—Mr. LEWIS W. PARKER, of Greenville, S. C. (cotton manufacturer), says that when he began manufacturing, in 1897, wide 64 squares, which is the standard of print cloths, were selling as low as 2¾ cents a yard. The price had risen by 1901 to from 6 to 6¼ cents per yard. There were various fluctuations up and down from 1901 until the spring of 1907, when these goods advanced as high as 7 and 7¼ cents a yard. That is the highest price they have reached, however, and to-day Mr. Parker is selling the same goods at 5⅛ to 5¼ cents a yard.

(2) *Furniture.*—Mr. E. H. FOOTE, of Grand Rapids, Mich. (manager of the Grand Rapids Chair Company and president of the Imperial Furniture Company), testifies regarding the price of their furniture at wholesale. On their sales as a whole, he says, the prices have advanced about 25 per cent, though it is nearly impossible to give the trend of prices accurately for most articles, because the styles have changed frequently, making it impossible to compare the prices of specific articles. The following table shows the prices from 1900 to 1910 for four staple articles of furniture, the styles of which have not changed during the period:

Wholesale price in May of each year from 1900 to 1910.

Year.	Oak table: Top, 28 inches by 44 inches; two drawers and shelf; carved feet; No. 682.	Bookcase: 59 inches high; 48 inches wide; two glass doors 20 inches by 42 inches double strength AA glass; adjustable shelves; No. 680.	Sideboard: 60 inches high; 21 by 55 top; mirror, 14 by 48, 1 inch bevel; first quality; lined silver drawer; carved feet; No. 1247.	Desk: 38 inches high, 28 inches wide; one drawer; No. 345.
1910	\$13.00	\$16.00	\$35.00	\$7.50
1909	\$13.00	\$16.00	\$32.00	\$7.00
1908	\$13.00	\$16.00	\$32.00	\$7.00
1907	\$13.00	\$16.00	\$32.00	\$7.00
1906	\$13.00	\$16.00	\$32.00	\$7.00
1905	\$12.00	\$14.75	\$31.00	\$6.50
1904	\$12.00	\$14.75	\$31.00	\$6.50
1903	\$12.00	\$14.75	\$31.00	\$6.50
1902	\$12.00	\$14.75	\$31.00	\$6.50
1901	\$10.00	\$13.00	\$30.00	\$6.50
1900	\$10.00	\$13.00	\$30.00	\$6.50
Increase, 1910 compared with 1900, per cent	30.00	23.10	16.60	15.40

Average cost of principal items of raw material each year from 1900 to 1910.

Year.	White oak: Quarter sawed, 1 inch thick, 6 inches wide or over, firsts and seconds.	White oak: Plain, 1 inch thick, 6 inches wide or over, firsts and seconds.	Sap gum: 1 inch thick, 6 inches wide or over, firsts and seconds.	Red gum: 1 inch thick, 6 inches wide or over, firsts and seconds.	Red gum: Quarter sawed, 1 inch thick, 6 inches wide or over, firsts and seconds.	Mahogany: 1 inch thick, 6 inches wide or over, firsts and seconds.	Mirror: 14 inches by 48 inches, first quality; 1 inch bevel.	Plain glass: 20 inches by 42 inches; double strength AA.
	Per M ft.	*Per M ft.*	*Per M ft.*	*Per M ft.*	*Per M ft.*	*Per M ft.*	*Each.*	*Each.*
1910	$82.00	$50.00	$24.00	$36.00	$46.00	$135.00	$3.08	$0.76
1909	$75.00	$48.00	$23.00	$35.00	$43.00	$135.00	$2.76	$ .56
1908	$73.00	$47.00	$23.50	$34.00	....	$140.00	$2.76	$ .50
1907	$71.00	$47.00	$23.50	$35.00	....	$150.00	$2.76	$ .48
1906	$70.00	$47.00	$22.00	$31.00	....	$150.00	$2.76	$ .52
1905	$68.00	$40.00	$20.50	$31.00	....	$150.00	$2.95	$ .60
1904	$70.00	$39.00	$20.00	....	....	$150.00	$2.95	$ .58
1903	$54.00	$38.00	....	....	....	$160.00	$3.10	$ .52
1902	$52.00	$34.00	....	....	....	$170.00	$2.95	$ .58
1901	$50.00	$32.00	....	....	....	$170.00	$3.10	$ .53
1900	$50.00	$33.00	....	....	....	$180.00	$3.44	$ .53
Increase, 1910, compared with 1900, per cent	64.00	51.20	....	....	....	....	....	43.40
Decrease, 1910, compared with 1900, per cent	....	....	....	....	....	25.00	10.50	....

(3) *Pottery.*—Mr. MOSES CALLEAR, of Trenton, N. J., testifies with regard to the wholesale prices of heavy china for hotel purposes. He represents the Maddock Pottery Company, which manufactures this kind of china exclusively. Mr. Callear says that the selling price of their particular line of china has not changed much in the last ten years; perhaps a decrease of 5 to 10 per cent now as compared with prices in 1900. The discount formerly was 40 and 10, but has changed a little, possibly to 40 and 5 now; in some cases the discount may be even less.

Mr. JOHN M. POPE, of Trenton, N. J., representing the Mercer Pottery Company, which manufactures a general line of white earthenware, states that the wholesale price has changed only in the discounts given. In one line of goods the discount in 1900 was 55 and 5, in 1905, 60 and 5, and in 1910, 60 and 5, there being no change in the last five years. Mr. Pope says that in general their selling prices run from 5 to 10 per cent lower.

b. PROVISIONS: (1) *Meat.*—Mr. RYAN, president of the Cincinnati Abattoir Company, pork and beef packers, Cincinnati, Ohio, says that for the last ten years the tendency in the price of live stock, cattle, sheep, and swine has been, with the exception of one year of the panic, 1908, decidedly upward.

Mr. JAMES S. AGAR, president of the Western Packing and Provision Company, Chicago, Ill., says that the demand for live stock and the products thereof is steadily outstripping the supply, and the prices of live animals at the various packing centers have steadily advanced in consequence. The increase in the price of meat and meat food products to the consumer, Mr. Agar says, has not equaled the proportionate advance in the cost of live stock covering any recent period of years, and he quotes prices on the Chicago market from the

Yearbook of the Chicago Dairy Farmer's and Drover's Journal showing what the advance has been in these commodities.

Year.	Price of range cattle per 100 pounds.[a]	Average price stockers and feeders per 100 pounds.	Year.	Price of range cattle per 100 pounds.[a]	Average price stockers and feeders per 100 pounds.
1896	$3.90-$4.40		1903	$4.15-$5.20	
1897	4.10- 4.95		1904	4.10- 5.70	
1898	4.30- 5.05		1905	4.15- 5.85	$3.60
1899	4.70- 5.75		1906	4.55- 6.20	3.85
1900	4.70- 5.55		1907	4.55- 6.50	4.20
1901	4.50- 5.95		1908	5.25- 6.95	4.25
1902	5.05- 7.25		1909	5.40- 7.30	[b] 4.50

[a] Range of prices per hundredweight, highest and lowest weekly average for the year.
[b] Range of prices $2.50 to $5.85.

Range of prices per 100 pounds.

Year.	Hogs, prime.	Sheep, native.	Year.	Hogs, prime.	Sheep, native.
1896	$2.75-$4.45		1903	$3.90-$7.80	$1.25-$7.00
1897	3.20- 4.50		1904	4.15- 6.37	1.50- 6.00
1898	3.10- 4.70	$2.50-$5.25	1905	4.25- 6.42	2.75- 4.50
1899	3.40- 5.00	1.75- 5.05	1906	4.95- 7.10	3.00- 6.50
1900	4.05- 5.82	2.00- 6.50	1907	3.75- 7.22	2.00- 7.00
1901	4.85- 7.30	1.40- 5.25	1908	4.00- 7.50	1.50- 7.00
1902	5.65- 8.20	1.25- 6.50	1909	5.50- 8.70	2.00- 6.90

Average prices per 100 pounds, native calves.

1903	$6.20
1904	5.60
1905	5.75
1906	6.25
1907	6.40
1908	6.50
1909	7.10

Year.	Mess pork sides, per barrel (200 pounds).	Lard, per pound, by 250 tierces.	Year.	Mess pork sides, per barrel (200 pounds).	Lard, per pound, by 250 tierces.
		Cents.			*Cents.*
1900	$10.35-$16.00	5.65- 7.40	1905	$11.70-$16.50	6.55- 8.10
1901	12.60- 16.80	6.90-10.25	1906	13.45- 20.00	7.32- 9.85
1902	15.00- 18.70	9.07-11.60	1907	11.00- 17.75	7.50- 9.97
1903	10.87- 18.37	6.20-11.00	1908	10.75- 16.60	6.97-10.45
1904	10.60- 16.50	6.15- 7.92	1909	16.75- 25.20	9.40-13.90

Senator Johnson pointed out from the above figures that while the advance in the price of mess pork—a packing-house product—has been 50 per cent from 1901 to 1909, the advance in the price of live hogs has only been 22 per cent.

Mr. Brown, wholesale and retail butcher of Washington, D. C., says his prices have been practically the same for the last five years, both for what he has bought and what he has sold. He buys local cattle and does his own killing, and there has been no increase in the price of beef, though pork and poultry have advanced. Of this latter, however, he buys very little, but raises a great deal.

Mr. Charles H. Castleberg and Mr. J. Samuel Brauer, of Richmond, Va., wholesale and retail butchers, also buy locally and conduct their own slaughtering establishments. Mr. Brauer says that

pork has gone up, but outside of that meat has not advanced any more than other commodities. Dressed meat is about 1 cent a pound more wholesale than it was last year; live weight, the price has increased about one-half cent a pound. Mr. Castleberg says the advance in the price of cattle has been about 50 per cent in the last five years—that is, cattle on the hoof have advanced from 4 to 6 cents a pound. In the last ten years they have increased from 3½ and 4 cents to 6 cents a pound live weight. The increase in the wholesale price of dressed beef and the retail price also, at which he sells, has been about 3½ cents a pound.

(2) *Butter and eggs.*—Mr. JAMES F. OYSTER, a wholesale dealer in butter and eggs, of Washington, D. C., does not think the customer is paying much more for these commodities than he has been paying, and not nearly as much as he paid from 1880 to 1890. If there is any advance, Mr. Oyster says, the producer is getting the benefit of it; the dealer wants to hold his trade, and the competition he must meet is so severe that he can not raise his prices in proportion as they are raised on him. Mr. Oyster gives statistics showing what the average yearly market price of butter has been since 1880, according to Elgin quotations.

Year.	Average price per pound.	Year.	Average price per pound.
	Cents.		*Cents.*
1880	28⅝	1895	20⅜
1881	30⅛	1896	17⅛
1882	33⅜	1897	18⅜
1883	29½	1898	18⅛
1884	28	1899	20⅜
1885	26⅛	1900	21⅛
1886	25⅝	1901	21⅛
1887	25¾	1902	24⅛
1888	26⅛	1903	23⅜
1889	22⅛	1904	21⅞
1890	22⅝	1905	24⅜
1891	25	1906	24⅛
1892	25⅛	1907	27⅜
1893	25⅛	1908	27
1894	22	1909 (estimate)	29

Mr. JOHN A. KUNKEL, of the firm of S. S. Long & Bro., wholesale dealers in butter, eggs, and cheese, New York City, say that the prices of these commodities have been advancing the last ten years. Mr. Kunkel says that for eggs the average yearly prices for the periods 1896–1900, and 1905–1909, inclusive, show a decided advance, the prices from 1905–1909 showing the more gradual creeping up. Mr. Kunkle presents statistics showing receipts and wholesale prices of butter and eggs on the New York market for the past ten years, as follows:

Receipts and wholesale prices of eggs per dozen.

[Receipts for year, 4,256,320 cases. Average for year, fresh gathered firsts, 25.03 cents.]

Month.	Cases.	Western, finest.	Fresh, firsts.	Refrigerator, best.
1909.		*Cents.*	*Cents.*	*Cents.*
March	516,141	....	18½–22½	....
April	636,423	21½–25½	20 –22½	....
May	603,583	21½–23¼	20½–22½	....
June	519,330	21½–23½	20½–22	....
October	248,143	25½–30	24½–27½	24 –26
November	177,330	30 –37	26½–34	24 –25½
December	167,929	31 –38	28 –35	22½–26½

Receipts and wholesale prices of eggs per dozen—Continued.

[Receipts, 4,116,269. Average, 22.19 cents.]

Month.	Cases.	Western, finest.	Fresh, firsts.	Refrigerator, best.
		Cents.	*Cents.*	*Cents.*
1908.				
March	521,645	...	15 -23	...
April	620,688	15½-17½	14¾-17	...
May	603,671	16½-18½	15½-17½	...
June	477,161	17 -19	15½-17½	...
October	212,477	24 -30	21 -28	22-23½
November	139,712	...	27 -36	23-26½
December	146,717	...	30 -46	26-27½

[Receipts, 4,426,614. Average, 22.95 cents.]

Month.	Cases.	Western, finest.	Fresh, firsts.	Refrigerator, best.
1907.				
March	633,093	...	16¾-27	...
April	749,666	17-18½	16 -18	...
May	672,747	17-18½	16 -18	...
June	492,501	16-17½	15½-16½	...
October	235,381	24-27½	21½-25	18-21½
November	154,662	27-32	25 -31	18-20
December	162,531	25-34	24½-33	18-19½

[Receipts, 4,086,151. Average, 22 cents.]

Month.	Cases.	Western, finest.	Fresh, firsts.	Refrigerator, best.
1906.				
March	391,197	...	14½-18	...
April	509,852	18-19	17 -19	...
May	656,916	17-18½	16 -18	...
June	452,565	18	16½-17	...
October	271,088	26-27	24½-26	22-23
November	164,274	27-33	26 -32	22-23
December	137,424	...	27 -35	23-24

[Receipts, 3,561,631. Average, 22.22 cents.]

Month.	Cases.	Western, finest.	Fresh, firsts.	Refrigerator, best.
1905.				
March	411,665	...	16½-35	...
April	584,289	...	17½-18	...
May	551,255	...	17 -18	...
June	427,136	17-17½	15½-17	...
October	207,513	22-26	20 -25	20½-22
November	166,292	26-31	24 -30	21½-22½
December	137,209	27-30	26 -30	20 -22

[Receipts, 2,911,818. Average, 17.7 cents.]

Month.	Cases.	Western, finest.	Fresh, firsts.	Refrigerator, best.
1900.				
March	269,689	11¾-20	...	...
April	399,732	11¾-12½	...	...
May	368,564	11½-14	...	...
June	299,922	12½-15	...	...
October	196,689	20 -21	...	16½-17
November	158,769	21 -27	...	20 -23
December	144,855	24 -29	...	18 -25

[Receipts, 2,594,992. Average, 15⅝ cents.]

Month.	Cases.	Western, finest.	Fresh, firsts.	Refrigerator, best.
1896.				
March	313,336	11 -11¾	...	...
April	329,912	10¼-12½	...	...
May	273,189	9½-12	...	...
June	247,274	11½-12½	...	...
October	174,688	17½-19	...	15 -16
November	154,395	20 -24	...	19
December	143,544	17 -24	...	14½-20

Mr. John J. Walton, wholesale dealer in butter, eggs, and cheese, New York and Chicago, says that the tendency in the price of butter for the last ten years at least has been upward, but not regularly so. The following statistics submitted by Mr. Walton show receipts and New York market prices of butter for the last ten years:

Butter, New York receipts.

	January.		February.		March.		April.	
	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.
	Packages.[a]	*Cents.*	*Packages.*[a]	*Cents.*	*Packages.*[a]	*Cents.*	*Packages.*[a]	*Cents.*
1900	138,376	27½	116,532	25	138,861	24¾	145,374	20½
1901	155,273	23	149,052	22½	144,099	22¾	147,772	20¾
1902	125,468	24½	121,050	28	121,841	28½	135,017	27¾
1903	134,839	27½	117,835	27	147,135	28	150,451	25¾
1904	124,503	23	129,650	24½	145,982	25	128,014	23
1905	134,837	29	109,944	32½	128,827	28	117,845	30
1906	173,881	26½	132,593	27	151,765	27	133,622	22
1907	131,246	31	117,555	32¾	126,730	30½	146,220	30½
1908	153,217	31½	155,011	32¾	145,404	29½	150,550	29
1909	139,237	32¼	145,748	31	171,918	30	165,348	28
1910	137,622	34½	117,151	30½	....	......	....	......

	May.		June.		July.		August.	
	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.
	Packages.[a]	*Cents.*	*Packages.*[a]	*Cents.*	*Packages.*[a]	*Cents.*	*Packages.*[a]	*Cents.*
1900	188,144	20½	278,507	19½	249,405	19½	188,269	20¾
1901	185,224	19	278,803	19¼	253,775	20	171,453	20¼
1902	177,749	23½	248,014	22	272,354	21¼	208,900	19¾
1903	163,961	22½	284,730	21½	292,873	19¾	240,017	19½
1904	163,185	21	298,670	18¾	284,326	17¾	288,541	18¼
1905	219,175	23¾	323,087	20½	314,560	20½	319,226	21
1906	200,015	20½	291,990	20¼	288,764	20½	268,861	22½
1907	165,454	25	246,334	23½	287,528	25	246,894	25½
1908	200,039	24½	317,754	23¾	319,402	23	238,145	23¾
1909	193,824	27	317,409	26¼	293,136	26¾	243,442	27¾

	September.		October.		November.		December.	
	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.
	Packages.[a]	*Cents.*	*Packages.*[a]	*Cents.*	*Packages.*[a]	*Cents.*	*Packages.*[a]	*Cents.*
1900	148,111	21½	150,835	20¾	120,285	24¾	137,175	25½
1901	159,189	21¼	154,287	21	129,338	24	131,149	24¾
1902	181,535	21½	152,603	23¾	115,437	26¾	116,660	29
1903	207,435	20½	171,196	21½	123,120	23¾	129,926	24½
1904	209,947	19¾	163,675	21½	126,669	24½	127,635	27
1905	248,696	20¾	209,985	21¾	158,027	23¾	125,507	24½
1906	210,174	24½	198,125	26¼	142,670	27½	145,280	31½
1907	201,634	28¼	218,896	29¼	138,422	27¾	138,949	30
1908	234,139	24½	169,400	27½	131,059	30¼	145,969	27½
1909	215,397	31	186,416	31½	139,577	32	111,369	36

[a] Package=about 60 pounds.

The Chairman presents the following tables, showing the price of butter according to Elgin weekly market quotations for the last twenty years:

Butter, creamery—Elgin board prices—wholesale price per pound on the dates specified.

[Compiled from the Elgin Dairy Report.]

Year.	First Monday.	Second Monday.	Third Monday.	Fourth Monday.	Fifth Monday.	Sixth Monday.	Seventh Monday.
1910	$0.36	$0.36	$0.36	$0.30	$0.31	$0.29	$0.28
1909	.32	.32	.32	.29	.29	.30	.30
1908	.29½	.30	.30½	.32	.33	.33½	.32
1907	.32	.29	.29½	.32	.32	.33	.33
1906	.27	.27	.27	.27	.27	.27½	.28
1905	.28	.29	.29½	.29½	.29	.31	.32
1904	.24	.24	.22	.22	.23	.24½	.26
1903	.29	.28	.27	.25	.25	.25	.26
1902	.24½	.24	.24	.24½	.25½	.27	.29
1901	.24	.21	.22	.21	.21	.21	.22
1900	.29	.24	.24	.24	.24	.24	.24
1899	.20½	.18½	.18	.18½	.20	.22	.21
1898	.21	.20	.19	.19	.19	.19	.19
1897	$0.19 - .19⅝	$0.19 - .19½	$0.19½- .19⅝	$0.19½- .20⅛	$0.20⅛- .20¾	.21	$0.20⅛- .21
1896	.23 - .23½	.23	.19½- .20	.20	.19 - .20	$0.18 - .18½	.19
1895	.25	.24½- .25	.23½- .24	.22½- .23	.22½- .23	.23 - .23½	.23
1894	.24 - .24½	.24½	.24½- .25	.26	.27	.26 - .27	.27
1893	.32	.32½- .33	.33 - .33½	.28	.27½- .28	.27½- .28	.27 - .28
1892	.28½- .29½	.30	.30 - .30¼	.30⅞- .31	.29 - .30	.29 - .30	.28½- .29
1891	.26 - .27	.27 - .27½	.26½- .27	.26	.25	.27	.29 - .29½
1890	.27 - .27½	.27	.26½- .27½	.26½- .27½	.27	.26½- .27	.26½- .27

Year.	Eighth Monday.	Ninth Monday.	Tenth Monday.	Eleventh Monday.	Twelfth Monday.	Thirteenth Monday.
1910	$0.30	$0.31	$0.31	$0.31	$0.32	$0.32
1909	.30	.29	.29	.29	.30	.30
1908	.32	.31	.29	.29	.29	.29½
1907	.33	.32	.31	.30	.30	.30
1906	.28½	.27	.27	.27	.27	.26
1905	.34	.33	.30	.25	.26	.29
1904	.26	.26	.24½	.24½	.24½	.24½
1903	.27	.27½	.27½	.28½	.28½	.28½
1902	.28	.27	.26	.27	.27	.27
1901	.23½	.22½	.22	.21½	.21½	.21½
1900	.24	.24½	.24	.24	.24	.22½
1899	.21	.20	.20	.20	.20½	.20½
1898	.19½	.20	.19½	.18½	.18½	.18½
1897	.18	.18	.18	.18	$0.18 - .18⅝	$0.22 - .22⅝
1896	$0.20 - .21	$0.21 - .22	.21	.21	.21	.20
1895	.21½- .22	.18	$0.18 - .19	.18	.19½- .20	.20
1894	.24 - .25	.22 - .23	.22	.22	.20	.21 - .21⅛
1893	.27	.26	.26 - .27	.28	.30 - .30¼	.30 - .30¼
1892	.29 - .29¼	.29 - .29¼	.27½- .29	$0.27½- .28½	.28 - .28½	.28 - .28⅝
1891	.29 - .29⅝	.34 - .35¼	.35	.29 - .30	.29 - .30	.27 - .28
1890	.26¼- .27	.25½- .26	.24½- .25	.24½- .25	.23½- .24	.22½- .23

Butter—Fancy Creamery—Wholesale price per pound in Elgin, New York, and Chicago on the dates specified.

[Compiled from the Elgin Dairy Report.]

Year and market.	First Monday.	Second Monday.	Third Monday.	Fourth Monday.	Fifth Monday.	Sixth Monday.	Seventh Monday.	Eighth Monday.	Ninth Monday.	Tenth Monday.	Eleventh Monday.	Twelfth Monday.	Thirteenth Monday.
1910.													
Elgin	$0.36	$0.36	$0.36	$0.30	$0.31	$0.29	$0.28	$0.30	$0.31	$0.31	$0.31	$0.32	$0.32
New York	.36	.36	.36	.31	.32	.30½	.28½	.32	.33	.33½	.33½	.33½	.34½
Chicago	.36	.34	.34	.31	.30	.28	.26	.30	.30	.31	.31	.31½	.32½
1909.													
Elgin	.32	.32	.32	.29	.29	.30	.30	.30	.29	.29	.29	.30	.30
New York	.33	.33	.33	.30	.30	.32	.32	.31	.30½	$0.28½-.29½	.28½	.31	.31
Chicago	.32	.32	.30	.28	.28	.28	.30	.28	.28	.28	.28½	.30	.29½
1908.													
Elgin	.29½	.30	.30½	.32	.33	.33½	.32	.32	.31	.29	.29	.29	.29½
New York	.30	.31½	.31½	.32½	.33½	.34½	.31	.32½	$0.30½-.31	.28½-.29	.29	.29	.29
Chicago	.29	.29½	.30	.31	.32½	.33	.32	.32	.31	.28	.28	.28½	.28½
1907.													
Elgin	.32	.29	.29½	.32	.32	.33	.33	.33	.32	.31	.30	.30	.30
New York	.32	.28	.30	.32½	.32	.32	.33	.33	.33	.33	.30	.30	.30
Chicago	.31	.28	.29½	.31½	.31½	.31½	.32½	.32½	.31	.30	.29	.29½	.29½

Butter—Elgin market—Official wholesale price per pound and amount of sales.

[Compiled from the Elgin Dairy Report.]

	Official quotation (per pound).	Sales for the preceding week by the members of the Elgin board.
1910.		*Pounds.*
January 3	$0.36	564,800
January 10	.36	561,300
January 17	.36	544,400
January 24	.30	514,300
January 31	.31	498,600
February 7	.29	457,600
February 14	.28	443,300
February 21	.30	439,400
February 28	.31	433,600
March 7	.31	432,900
March 14	.31	432,200
March 21	32	434,900
March 28	.32	456.200

Mr. W. D. Hoard, of Fort Atkinson, Wis., dairy farmer and editor of *Hoard's Dairyman*, was summoned to testify before the committee but was unable to come to Washington. He submits by letter a statement of his estimate of the prices for milk and butter at the creameries during the last ten years, as follows:

Prices of milk and butter.

[This estimate is for milk returns, when delivered to creameries where butter is made.]

Year and season.	Price received for milk (per 100 pounds).			Price of fancy creamery butter.		
	Low.	High.	Average.	Low.	High.	Average.
1910—Spring	$1.26	$1.49	$1.40	$0.27	$0.32	$0.30
1909—Fall	1.40	1.63	1.44	.30	.35	.31
Spring	1.12	1.40	1.21	.24	.30	.26
1908—Fall	1.10	1.44	1.30	.23½	.31	.28
Spring	1.03	1.37	1.05	.22	.29½	.22¾
1907—Fall	1.12	1.40	1.26	.24	.30	.27
Spring	1.07	1.40	1.21	.23	.30	.26
1906—Fall	1.14	1.44	1.30	.24½	.31	.28
Spring	.89	1.26	.98	.19	.27	.21
1905—Fall	.96	1.14	1.03	.20½	.24½	.22
Spring	.91	1.47	1.17	.19½	.31½	.25
1904—Fall	.91	1.23	1.07	.19½	.26½	.23
Spring	.82	1.14	.98	.17½	.24½	.21
1903—Fall	.96	1.17	1.03	.20½	.25	.22
Spring	.93	1.33	1.07	.20	.28½	.23
1902—Fall	1.05	1.35	1.26	.22½	.29	.27
Spring	.98	1.40	1.12	.21	.30	.24
1901—Fall	1.00	1.14	1.07	.21½	.24½	.23
Spring	.86	1.00	.89	.18½	.21½	.19
1900—Fall	.96	1.21	1.07	.20½	.26	.23
Spring	.84	1.12	.89	.18	.24	.19

3. RETAIL PRICES.

a. Meat.—Mr. JOHN E. EUBANK, a retail dealer in meats and general groceries, of Richmond, Va., says that the price of meat in general has advanced. Mr. Eubank buys his meat from the western packing houses, Armour, Kingan, Swift, and Schwartzschild & Sulzberger. He does not buy any beef from the independent packers because he prefers the western beef.

Mr. ROBERT H. HAWKS, also a retail butcher and grocer, of Richmond, Va., likewise finds that prices of meat have advanced. This includes meat of all kinds as well as poultry.

Mr. JOHN C. WALKER, a retail market man, of Washington, D. C., who buys his supplies from New York packers, testifies that the price of beef has advanced 15 per cent in the last ten years, poultry and pork 50 to 100 per cent, and fish 25 per cent.

Mr. CHARLES ROLLMAN, general retail market man, of New York City, says the increase in the price of beef the last five years has been 20 per cent; pork and poultry have gone up 100 per cent in the last ten years. Mr. Rollman buys his meat of western packing houses, and not of the local New York packers, as he thinks he can do better with the former; they have an advantage over the eastern men because they can dress their beef before it is shipped, when it is in the best condition.

b. Groceries and provisions.—Mr. EUBANK (retail grocer and butcher) says that outside of meat, flour is about the only thing he sells that has advanced. Canned goods have decreased the last two years; canned fruit is very much cheaper.

Mr. HAWKS (retail grocer and market man) corroborates this statement. Shelf goods of every description, he says, have been a little cheaper the last six to twelve months.

Mr. S. K. Harrison, general market man and retail grocer, of Baltimore, Md., says the trend of prices has been higher for the last ten years; the general increase has been about 10 per cent. Butter, eggs, dry groceries, and vegetables have not gone up much, but meat of all kinds has increased 10 per cent the last five years and pork 15 per cent. Mr. Harrison thinks, however, that the "clamor about high prices has been overrated."

Mr. William E. Poulton, of Baltimore, Md., dealer in meat and general groceries, says that pork has advanced 100 per cent and poultry 70 per cent in the last five or ten years. Leaving these two high-priced commodities out, it probably costs a family of five 8 or 10 per cent more to live now than it did then. Mr. Poulton's trade is mostly with mechanics and laborers, earning $1.10 to $4 a day. An account for a family of five varies from $28 to $40 a month.

Mr. H. Sonnehill, a retail grocer of Baltimore, says that during the last ten years prices have gradually increased, though some things have gone down. Canned goods have averaged about the same; cocoa and chocolate have gone down, also sugar. Proprietary brands of goods have, in many cases, increased in price by a decrease in the size of the package, though the price of the same did not change, e. g., a package of Quaker Oats which has sold uniformly at 10 cents for a number of years, used to contain 32 ounces, and it now contains 23 ounces only; the Uneeda Biscuit package has decreased from 8 to 6 ounces; a bar of Proctor & Gamble's Oleine Soap which sells at 5 cents, and in 1905 weighed 1 pound, now weighs 12 ounces, etc.

Mr. Edward Hall, a grocer and general market man, of Washington, D. C., states that the advance in the price of provisions, such as meat, wholesale, the last ten years has been 15 per cent or more. "Grocery specialties," i. e., package goods, have advanced about 10 per cent in the same time, while flour has gone up 25 per cent in the last fifteen years. Mr. Hall says he has not increased retail prices proportionately, however, but sells at half the profit he did ten years ago.

Mr. Wallace L. Pierce, of the S. S. Pierce Company, of Boston, Mass., wholesale and retail grocer, reports that in the main the tendency of prices in his business for the last decade has been upward, though it has varied for different articles.

Mr. Frank Tilford, of the firm of Park & Tilford, New York, wholesale and retail grocers, says that in the experience of his firm the general course of prices for the last ten years has been upward.

Mr. John A. Green, of Cleveland, Ohio, secretary of the National Retail Grocers' Association, says that there has been no general advance in the price of groceries; that the every day-grocery bill, if you exempt butter, eggs, smoked meat, and hog products, is at least as low, and in some cases lower, than it has been for a number of years, or for some time.

c. Furniture.—Mr. Foote (furniture manufacturer) says that the increase in the retail prices of furniture during the last ten years has been about 25 per cent, practically the same as the increase in sale prices of the manufacturer. However, Mr. Foote thinks that the consumer can get just as much furniture for the same amount of money as he could ten years ago; styles have changed and machinery has been improved.

II. CAUSES OF HIGH PRICES.

A. Advance in the Price of Farm Produce.

1. FOOD STUFFS.

Secretary Wilson says, in explanation of the high price of cattle on the market, that several things have conspired to bring this about. For example, during the Roosevelt administration large ranges which had been fenced in were opened up, and the settlers came in. It is his opinion that the latter will eventually produce more meat than the range men, but they are generally poor and must wait to grow it. So there are not as many cattle coming from the range country now as came when the ranch men had complete possession.

Secretary Wilson further says, "One of the principal difficulties found in the great meat-producing States is want of help on the farms." With the wider dissemination of scientific knowledge of agriculture through schools and experiment stations, "when the young farmer knows how to make more out of his day's work, and how to make the acre respond better to his toil, farming will be more attractive." Up to this time the education the young people of the farm have received has been of such a kind as to draw them away from the farm. The city has offered larger opportunities and greater attractions. There is a great need for agricultural education in the South and the East as well as the West. "The great East and central East have been educating the people to do other things than agriculture, and the poorest farming in America is being done east of the Allegheny Mountains all the way along * * *. But a scientific knowledge of agriculture is growing and growing rapidly. Mr. James J. Hill says that the people will come back from the village to the farm when their stomachs get empty."

Mr. John C. Walker (retail marketman, Washington, D. C.) thinks there are a number of reasons for the increase in the cost of commodities, but he believes the situation is going to adjust itself very soon. The country, i. e., the farms, have been neglected; men have gone to the city by thousands in prosperous times because they have secured occupations that have paid them better than farming. "At one time everything was so cheap there was no market for it. There was an overproduction. They allowed their stocks to run down and now we are feeling the effects of it." "Grain became very high and labor became very high." The farmer is now doing better than he ever has, but they have not the material to work upon, and it will take a year or two to get back to normal conditions.

Mr. Murdo MacKenzie (cattle raiser) attributes the rise in the price of cattle to increased expenses of production. The price of grain is very high and the price of supplies of all kinds have advanced. His wages have increased about 30 per cent in the last ten years. There is also a decrease in the supply of beef. Though the number of cattle in the United States that have gone into the market has not decreased in the last five or six years, the number of pounds of beef has decreased, because they are killing very much younger cattle. They sell a great many calves instead of letting them mature. The high price of grain has made it unprofitable to fatten cattle, so it

is the younger stock and the light-weight grass-fed cattle which are coming on the market. This same cause has operated in raising the price of mutton. The increase in the expense of raising sheep and lambs for market has been from 30 to 35 per cent.

Mr. AGAR (meat packer) says his general experience in the packing industry has made him familiar, he believes, with the conditions which have been mainly instrumental in creating the higher prices of meat food products of all kinds. "All of the natural conditions affecting the production of live stock and the slaughter and sale of the products of such live stock, have tended to cause steadily advancing prices in addition to the causes affecting the advance in commodities generally. * * * There is a very small percentage of the normal supply of hogs, cattle, and sheep in the live-stock communities." The financial panic which this country experienced two years ago compelled the farmers and the stock raisers, "either through necessity or to satisfy their creditors, to ship all of their live stock that could be converted into cash at that time and the records show that the farms and ranches were very nearly depleted of all live stock, and to make matters worse grains were so high the next year that what few head of stock they had on hand to feed did not pay the farmer, and the consequence was that all producing live stock was shipped. It has been two years since this happened, and it will, in my opinion, take three or four years more before conditions from a live-stock standpoint will be normal."

Mr. Agar quotes from the estimate of the United States Department of Agriculture to show the number of live stock in the United States during the last few years, as follows:

Year.	Cattle.	Hogs.	Sheep.	Year.	Cattle.	Hogs.	Sheep.
1901	67,000,000	62,000,000	61,000,000	1906	66,000,000	52,000,000	50,000,000
1902	61,000,000	48,000,000	62,000,000	1907	72,000,000	54,000,000	53,000,000
1903	61,000,000	46,000,000	63,000,000	1908	71,000,000	56,000,000	54,000,000
1904	61,000,000	47,000,000	51,000,000	1909	71,000,000	54,000,000	56,000,000
1905	61,000,000	47,000,000	45,000,000	1910	69,000,000	47,000,000	57,000,000

Mr. Agar accounts for the fact that the price of mutton has gone up, in the face of increasing supply the last five years, by the shortage in other food products, which has increased the demand. "There is twice as much mutton purchased to-day," he says, "and eaten by the American people, as there was five or six years ago."

Mr. COWAN (attorney for Cattle Raisers' Association of Texas) says that the high price of cattle is due to the increased costs of production, which includes an advance in the price of land, feed, supplies of all sorts, and wages. This situation requires an explanation, which Mr. Cowan believes is to be found in the exodus of the population from the country to the city. For example, in Tarrant County, Tex., where Fort Worth is situated, the population of the towns has trebled in the last ten years, while Mr. Cowan does not think that the country population has increased at all. "The failure to cultivate the land with the constant increase in population has changed the ratio." Also, throughout the southwest production has very much declined, because the people have generally considered that their land was rich and have failed to fertilize it, and as a consequence the yield per acre

has greatly decreased. It is the law of supply and demand which has made high prices.

Mr. Cowan quotes an address by H. A. Jastro, president of the American National Live Stock Association, who says:

> Others may have different explanations for the fact that we do not seem to be raising as much live stock per capita as in former years, but to my mind every reason is comprehended in the broad statement that the American farmer and ranchman have concluded that it was more to their pecuniary advantage to pursue other branches of agriculture * * *. The supply of live stock will be forthcoming under the stimulus of profitable prices; but it is idle to ever expect people to raise live stock if they can realize more money by producing other kinds of crops.

Commenting upon the great increase in the value of land in the last five or six years, Mr. Cowan says that land which in 1904 was worth $1.50 to $2 per acre to-day is worth $7, while the price paid for the lease of land for grazing has advanced from 10 cents an acre in 1904 to 75 cents and $1 to-day. There has been a decrease in the amount of land available for pasture, for a great deal of land is being put under cultivation in western Texas, Oklahoma, and the old Indian Territory. Cattle bred in Texas are, many of them, sent up into Oklahoma, Iowa, and Indian Territory to pasture, and it is said that the valuable grass lands in these States have decreased about half. There are still great tracts of public land in Arizona and New Mexico open for grazing, but they can not be used to great advantage, Mr. Cowan declares, under the present system by which the Government manages them. If ranchmen could lease these lands with the right to inclose them and have a long enough tenure to make improvements worth while, it would be possible to greatly increase the present production of both cattle and sheep and in a more profitable way than it is carried on to-day.

The greatest profit at present, Mr. Cowan says, is made on grass-fed cattle. Cattle which do not get fat enough for market on the pasture—"stockers"—must be specially fattened, and the price of grain and feed of all kinds is so high now that it scarcely pays to do this. Mr. Cowan quotes from a paper by Mr. Ike T. Pryor, which was read before the Cattle Raisers' Association, in which Mr. Pryor gives estimates of the cost of preparing for market a 3-year-old steer and the profits obtained for a series of years, as follows:

1880.

Cost of steer	$15.00
1¼ tons of hulls, $1.50 per ton	1.875
½ ton cotton-seed meal, at $10 per ton	5.00
Freight	4.00
	25.875
Sell 1,000-pound steer, at 3½ cents	35.00
Profit	9.125

1890.

Cost of steer	$20.00
1¼ tons of hulls, at $3 per ton	3.75
½ ton cotton-seed meal, at $15 per ton	7.50
Freight	5.00
	36.25
Sell 1,050-pound steer, at 4 cents	42.00
Profit	5.75

1900.

Cost of steer	$25.00
1¼ tons hulls, at $6 per ton	7.50
½ ton cotton-seed meal, at $20	10.00
Freight	5.00
	47.50
Sell 1,075-pound steer, at 4½ cents	48.375
Profit	.875

1910.

Cost of steer	$30.00
1¼ tons hulls, at $10 per ton	12.50
½ ton cotton-seed meal, at $30	15.00
Freight	6.00
	63.50
Sell 1,100-pound steer, at 5½ cents	60.50
Loss	3.00

Mr. Cowan, in the list of questions above referred to, which he submitted to prominent cattle raisers, asked them to state the per cent of increase in the cost of supplies, the increase in other expenses including wages, and an estimate of the available supply of steers now as compared with five and ten years ago. The answers estimate the advance in the cost of supplies anywhere from 20 to 100 per cent in the last five to ten years. Supplies include horses, feed, wages, food for the help, etc. Wages they report have increased from 20 to 40 per cent in the same time. All answers agree in saying that the present holdings of steer cattle are greatly decreased. Various estimates place the present holdings at from two-thirds to one-tenth of what they were five or ten years ago. The causes given are scarcity of land, high price of land, advance in the price of labor and supplies, the cutting of ranches up into farms and sales of the large ranches, and the sale of stock cattle and calves.

Mr. Ryan (meat packer), in explanation of the great rise in the price of hogs quotes from Mr. Charles B. Murray, editor of the Cincinnati Price Current and superintendent of the chamber of commerce, whom he says is recognized all over the country as an authority, as a statistician on grain and live stock. Mr. Murray says:

> The explanation for the short supplies of hogs the past year, and the extreme prices reached lies largely in the fact that with the liberal numbers of swine in the preceding year, specifically in 1908, the prices of corn maintained the market value regarded as higher than its value for feeding to hogs, and with this was a drouth in the hog producing regions which so dried up the water sources late in the season that it was serious in its effect upon such stock in many sections. Under such conditions the hog growers turned the animals into market without regard to the need of maintaining the breeding stock basis for future supplies. With a decrease of 5,000,000 in the slaughtering supply of hogs for the past year, the advance in prices of both animals and product was a natural commercial incident.

Mr. Murray submits "the following exhibit of annual averages of numbers of hogs slaughtered in the West for commercial purposes for periods of five years for years ending March 1, 1871 to 1910, inclusive, covering forty years, and the annual averages of the cost of live hogs per 100 pounds at the slaughtering places, with the highest yearly averages for each period of five years, according to the compilations of the Cincinnati Price Current."

Five-year periods.	Annual average number.	Average yearly price.	Highest yearly average.
1871-1875	5,555,000	$5.06	$5.85
1876-1880	8,890,000	4.80	7.10
1881-1885	10,370,000	5.40	6.65
1886-1890	11,845,000	4.40	5.25
1891-1895	14,435,000	4.80	5.85
1896-1900	19,600,000	3.75	4.05
1900-1905	23,180,000	5.65	6.80
1906-1910	26,427,000	6.15	7.75

Years (ending Mar. 1).	Total number.	Average price for year.
1909	28,995,000	$5.86
1910	24,150,000	7.74

Mr. DANIEL L. KELEHER (cattle feeder) says, in explanation of the high cost of meat and other necessaries of life, that production is decreasing and population is increasing; production is not keeping pace with the demand. The American people do not husband their resources. Mr. Keleher thinks "we are not doing our farms justice." "We commenced in the East to rob our farms and are going West rapidly." Mr. Keleher has known land that for fifty-four consecutive years has been cropped. "Ground has been farmed without any fertilizer; people have been growing crops until it doesn't pay, and now resort to clovering and think if they get a crop of clover that they are helping their land, but it is a demonstrated fact, * * * that clover adds nothing to the fertility of the soil, it only hastens to get what is in mother earth from it * * * and when they get all there is in that, it will become a Maine or a Vermont farm in agriculture."

Mr. Keleher also testifies as to the costs of production. Wages, he says, have not only gone up but the efficiency of the help has decreased. Mr. Keleher employs two classes of hands, unmarried, who are furnished board and room in addition to money wages, and the married hands who are given a house to live in, and the use of a horse and cow and buggy.

The following table submitted by Mr. Keleher shows wages paid farm hands and also the increase in the value of farm land:

Wages of farm hands and value of grain-producing land.

Year.	Regular hands, with board, per month (single).	Regular hands, without board, per month (married).[a]	Harvest hands, per day.	Value of farm land per acre.
1910	$35.00	$40.00		[b] $165.00
1909	32.00		$2.75	
1908	32.00			
1907	33.00			
1906	30.00			
1905	27.00			
1904	25.00			
1903	26.00			
1902	27.00			
1901	24.00			
1900	24.00	30.00	2.00	100.00
Average was about	28.00	33.00		

[a] Also house, horse, cow, and garden.

[b] The increase has been most in last three years.

Farm machinery, Mr. Keleher says, has some of it increased and some of it has not. He obtained a statement from Mr. John Deere "the largest agricultural-implement manufacturer in the West," showing what prices have been on farm machinery and supplies for the last ten years.

Price paid by farmers for farming implements and supplies.

Year.	Binders.	Mowers.	Two-horse wagons.	Wheat drills.	Binder twine.	Farm harness.
					Per lb.	*Per set.*
1910	$125.00	$45.00	$80.00	$100.00	$0.09	$35.00
1909					.09	33.00
1908					.09	32.00
1907					.10	31.00
1906					.11	30.00
1905					.11	29.00
1904					.11	28.00
1903					.14	27.00
1902					.12½	27.00
1901					.09	27.00
1900	[a] 110.00		50.00			27.00

[a] Six-foot binder.

Prices in the first column below are on a standard 2-horse wagon, just as is used in the territory surrounding Moline.

Prices in the second column are on a standard double-disk plow, with 4-horse evener, as might be used in this territory, although it is a fact that the trade on disk plows in this section of the country is limited.

Prices in the third column are on a standard 28-inch 2-furrow foot-lift gang, with 4-horse evener.

Prices in the fourth column are on a standard 3-section 90-tooth steel lever harrow, with drawbar.

Year.	Wagon.	Disk plow.	Gang plow.	Harrow.
1910	$76.50	$55.00	$60.00	$16.00
1909	72.30	55.00	60.00	16.00
1908	72.30	56.50	62.00	17.00
1907	72.30	56.50	62.00	16.00
1906	65.40	55.00	60.00	16.00
1905	63.00	55.00	60.00	16.00
1904	63.00	56.00	61.00	17.00
1903	63.00	56.00	61.00	16.00
1902	62.40	55.00	60.00	16.00
1901	60.60	54.00	58.00	18.00
1900	63.60	57.00	64.00	18.00

Mr. Keleher ships to market in the neighborhood of 1,000 cattle a year, which he buys as stockers. There has been an advance in the price paid for stockers, which Mr. Keleher attributes to the breaking up of the ranges in the West. The cost and profits in feeding steers depend upon the length of time they are fed: there is a bigger gain, as a rule, in a short feed than in a long one. Mr. Keleher submits a table giving costs and profits of fattening cattle for market for the last ten years, as follows:

Cost of preparing cattle for market, and profit or loss.

Year.	Value of stock steer.	Value of hogs to follow steers.	Average number of hogs per steer.	Cost of feed.	Labor cost.	Amount received for fat steer.	Amount received for hogs.	Profit on one steer and three hogs.
1910	$60.00	$30.00	Three	$60.00	$3.60	$112.50	$70.00	$28.90
1909	50.00	21.00	Three	[a] 60.00	3.60	101.50	36.00	15.90
1908	45.00	18.00	Three	56.00	3.60	95.00	30.00	2.40
1907	42.00	18.00	Three	50.00	3.60	85.00	30.00	1.40
1906	39.00	19.50	Three	50.00	3.60	95.00	45.00	27.90
1905	36.00	18.00	Three	52.00	3.50	83.00	40.00	13.50
1904	35.00	15.00	Three	51.00	3.25	96.00	38.00	29.75
1903	35.00	17.40	Three	48.00	3.50	85.00	54.00	35.10
1902	35.00	20.25	Three	55.00	3.60	85.00	38.00	9.15
1901	35.00	18.00	Three	49.00	3.50	90.00	42.00	36.50
1900	35.00	15.00	Three	50.00	3.50	94.00	36.00	26.50

[a] Corn, rough feed.

Have never carried any insurance on stock.

The cost of production and profit per acre for oats, Mr. Keleher estimates as follows: Costs include rent, $5; seed, $1; sowing, $1.50; harvesting, $2.50; and thrashing, $2.50; total cost, $12.50. The average crop per acre is 40 bushels, which at 35 cents a bushel would make the gross income per acre $14, and the net profit $1.50 per acre.

Mr. ROBERTSON (farmer and cattle feeder) says that prices paid for range cattle since 1900 show a steady advance. Mr. Robertson thinks this is in large measure due to the settling up of the lands in the West. The high price of corn in his section of the country causes farmers to break up more land and raise less cattle; to sell off their cows and calves. As for hogs, the wide difference between the price of corn and that of hogs which prevailed two years ago resulted in the farmers' feeding them at a loss. "Hence he sold his hog half fat, and stopped breeding, but, under the prosperous condition of the country, consumption of pork and lard did not stop, and the demand gradually exceeded the supply and the present prices were the result." This situation, however, Mr. Robertson believes to be temporary and anticipates quite a drop from the present prices in a few months.

The following table, submitted by Mr. Robertson, shows prices of hogs and corn from 1900 to 1910, inclusive:

Price of hogs and corn on the dates specified.

Year and season.	Hogs, fat, per 100 pounds (average).	Corn, per bushel (average).	Year and season.	Hogs, fat, per 100 pounds (average).	Corn, per bushel (average).
1910—Spring	$8.50	$0.58	1905—Fall	$5.10	$0.53
1909—Fall	6.90	.60	Spring	4.85	
Spring	5.30	.65	1904—Fall	4.85	.50
1908—Fall	5.90	.68	Spring	4.75	
Spring	4.90		1903—Fall	5.65	.47
1907—Fall	5.30	.53	1902—Fall	6.50	.65½
Spring	6.20		1901—Fall	5.75	.52
1906—Fall	6.00	.42	1900—Fall	4.60	.40
Spring	5.90				

Showing the costs of production, Mr. Robertson also submits tables giving wages, value of farm lands, and local retail prices for farm machinery and supplies, as follows:

Wages of farm hands and value of grain-producing land.

Year.	Regular hands, with board, per month.	Regular hands, without board, per month.	Harvest hands, per day.	Value of farm land per acre.
1910	$30 to $35	$30.00 to $40.00	$2.00 to $2.50	$150 to $275
1909	30	30.00 to 40.00	2.00 to 2.50	150 to 250
1908	26 to 30	30.00 to 35.00	2.00 to 2.25	150 to 225
1907	26 to 30	30.00 to 35.00	2.00	125 to 200
1906	25 to 28	30.00 to 35.00	2.00	110 to 200
1905	25 to 28	30.00	1.75	100 to 175
1904	25	25.00 to 30.00	1.75	100 to 150
1903	23	25.00 to 28.00	1.50	90 to 125
1902	22	25.00	1.50	80 to 110
1901	21	22.50	1.25	80 to 110
1900	20	20.00	1.25	70 to 100

Grazing lands are worth about 50 per cent of farm lands. Regular farm hands without board are usually furnished a house to live in, a large garden and time to tend it, fuel, milk, a rig to go to town for groceries and any place they care to go. They usually get what apples and other fruit they use. Counting everything, their present wages are from $50 to $60.

Price paid by farmers for farming implements and supplies.

Year.	Binders.	Mowers.	Two-horse wagons.	Wheat drill.	Plows, disk.	Plows, gang.	Harrows.	Binder twine, per pound.	Farm harness, per set.
1910	$120.00	$45.00	$65.00	$85.00	$56.00	$55.00	$20.00	$0.09½	$40.00
1909	120.00	45.00	65.00	84.00	56.00	56.00	20.00	.09	38.00
1908	120.00	45.00	60.00	82.50	55.00	55.00	20.00	.11	35.00
1907	120.00	45.00	60.00	82.50	55.00	55.00	18.00	.11	32.50
1906	115.00	43.00	57.50	80.00	55.00	55.00	18.00	.11	32.50
1905	115.00	43.00	55.00	80.00	55.00	55.00	18.00	.11	32.50
1904	110.00	40.00	55.00	80.00	52.00	52.50	18.00	.12	30.00
1903	110.00	40.00	53.00	80.00	52.50	52.50	18.00	.13	30.00
1902	110.00	40.00	52.00	77.50	50.00	50.00	18.00	.14	30.00
1901	110.00	40.00	52.00	77.50	50.00	50.00	18.00	.09	30.00
1900	110.00	40.00	50.00	75.00	50.00	50.00	18.00	.10	30.00

For the business of cattle feeding, Mr. Robertson presents the following table, showing costs and profits:

Cost of preparing cattle for market, and profit or loss.

[The statement is based on the cost of 20 steers and 20 hogs.]

Year.	Value of stock steer.	Value of hogs to follow steers.	Average number of hogs per steer.	Cost of feed.	Labor cost.	Interest, insurance, etc.	Amount received for fat steers.	Amount received for hogs.	Profit or loss.
1910	$1,200.00	$200.00	1	$1,180.25	$45.00	$90.40	$2,378.00	$504.00	$166.35
1909	1,000.00	140.00	1	1,160.50	45.00	85.40	2,293.60	386.40	249.10
1908	900.00	120.00	1	1,200.80	40.00	81.82	2,030.00	302.40	a 10.22
1907	840.00	120.00	1	992.00	40.00	71.76	1,740.00	296.80	a 26.96
1906	780.00	125.00	1	836.00	38.00	65.37	2,001.00	336.00	492.63
1905	720.00	120.00	1	992.00	35.00	68.01	1,696.50	285.60	53.34
1904	700.00	100.00	1	910.00	32.50	64.26	1,928.50	268.80	390.54
1903	700.00	116.00	1	854.00	30.00	61.00	1,975.00	316.40	430.40
1902	700.00	135.00	1	1,158.00	30.00	72.69	1,696.50	364.00	35.19
1901	700.00	120.00	1	892.00	27.50	64.18	1,975.00	322.00	493.32
1900	700.00	100.00	1	750.00	25.00	56.25	1,885.00	257.60	511.25

a Loss.

Mr. NOBLITT, of Cokeville, Uinta County, Wyo., who is in the sheep-growing business, submits in explanation of the high prices of wool and mutton the following statements showing the costs of production and profits on these commodities according to his experience:

	1910.	1909.	1905.	1900.	1895.
Number of sheep to a herd	2,950	3,000	3,300	3,500	3,800
Number of men employed to a herd	4½	4½	3½	3	2½
Wages of foreman	$90.00	$90.00	$75.00	$50.00	$40.00
Wages of herders	$50.00	$50.00	$42.50	$40.00	$32.50
Wages of camp movers	$47.50	$47.50	$40.00	$37.50	$25.00
Cost of shearing, per head	$0.16	$0.16	$0.13	$0.10	$0.09
Cost of grazing, per head, on forest reserves	$0.06	$0.06	$0.07	(a)	(a)
Cost of supplies for camp, per man employed	$30.00	$30.00	$25.00	$18.00	$15.00
Cost of lambing grounds and summer herding grounds, per head	$0.10	$0.10	$0.08	$0.02	$0.01
Loss from animals and severe weather (per cent)	15	12	10	10	10
Price of sheep per head	$5.25	$5.25	$3.75	$3.50	$2.75
Price of lambs per head		$3.25	$3.00	$2.25	$1.50
Price received for wool		$0.21	$0.20	$0.12	$0.11
Cost to produce lamb 6 months old	$3.00–$3.25	$3.00	$3.00	$1.95	$1.40
Cost to produce sheep 1 year old	$4.50–$4.75	$4.50	$4.00	$2.85	$2.40
Cost to produce ewe to 2 years old—first lambing	$6.25–$7.00	$6.25	$6.00	$3.95	$2.65
Cost to produce wool, per pound	$0.22	$0.21	$0.20	$0.11	$0.10
Cost per year to run sheep, including miscellaneous expenses not mentioned above	$2.30	$2.10	$1.90	$1.40	$0.80

a Not more than 30 per cent of the sheep have access to the forest reserves.

Example 1.

	Dr.	Cr.
Cost of 3,000 2-year-old ewes April 1, 1906, at $6	$18,000	
Cost of equipment, not including ranch and grazing lands	1,200	
Cost to run 3,000 ewes twelve months to spring of 1907, at $2	6,000	
Sold wool from 3,000 ewes, spring, 1906, 7 pounds each, at 18 cents net		$3,780
Sold one half (the wethers) of the 1906 lamb crop, 70 per cent of 3,000 ewes, raised to fall market time, i. e., 1,050 lambs, at $3		3,150
Cost to run other half of 1906 lambs to spring of 1907, i. e., 1,050 (ewe) lambs, at $1	1,050	
Three-year-old ewes sold spring 1907, before lambing and shearing, i. e., 3,000 (at $7.50), less 10 per cent for twelve months' loss, 2,700, at $7.50		20,250
Sold yearling ewes spring 1907, 1,050, less 10 per cent for loss, 945, at $4		3,780
	26,250	30,960
		26,250
Gross profit for twelve months, spring 1906 to 1907		4,710
Profit account increased valuation of purchased stock, i. e., from $6 to $7.50 per head on 3,000 ewes, due to advancing prices—temporary condition, at $1.50		4,230
Net regular profit of $480 on an investment of over $20,000 for twelve months, or less than 2½ per cent on capital invested		480

This table is an accurate report of conditions existing in southwestern Wyoming during time covered, and gives a fair estimate of conditions prevailing throughout the intermountain country from 1895 to 1907 in that it shows that profits made by wool and mutton producers above a nominal per cent were due invariably to the then increasing price of sheep.

Eliminating the profit of $4,280 made by the increased valuation of the 3,000 ewes, we find that it cost $3,300 to produce the 21,000 pounds of wool, or 16 cents per pound, allowing nothing for grower's profit; or by considering that the grower was entitled to a profit of 6 per cent on his investment of $20,000, we find that it cost 21½ cents to produce a pound of wool in 1906-7, about 2 cents per pound more than the grower received.

While running expenses vary in different parts of the State of Wyoming and in different States, due to cost of labor, cost of feed and range, convenience of handling, etc., we find that invariably where one branch of expense is lower another branch is higher, due to local conditions, and that the above report constitutes a fair estimate of general conditions.

Example 2.

	Dr.	Cr.
Cost of 3,000 2-year-old ewes, April 1, 1907, at $7.50	$22,500	
Cost of equipment, wagons, horses, etc., not including lands	1,200	
Cost of running expenses from spring, 1907, to fall, 1910, 3½ years, at $2.10 each per year	22,050	
10 per cent per year loss for 3½ years equals 35 per cent of 3,000 ewes, at an average valuation of $6, during period of 3½ years	6,300	
Lambs sold each fall at 6 months old, 1907-1910, 4 crops, 75 per cent of 3,000 equals 2,250 lambs, at $3.25, equals $7,312 per year		$29,250
Ewes sold fall of 1910, 5½ years old, 3,000, at $2.50		7,500
Wool sold, 7 pounds per sheep for 4 seasons (1907-1910), 84,000 pounds, at 20 cents		16,800
	52,050	53,550
		52,050
		1,500

By deducting total receipts, $53,550, less wool sales, $18,800 (total, $36,750), from the total investment of $52,050, we find that it cost $15,300 to produce 84,000 pounds of wool in four seasons, 1907-1910, a little more than 18 cents per pound, allowing nothing for grower's profit or for interest on investment.

These figures fairly illustrate the predicament of the intermountain range wool and mutton producer under the present increased and increasing cost of production and with the purchase and selling prices on a comparatively steady high basis.

Example 3.

With apologies to the committee, I will offer the following example, which is taken from my own personal experience during a period of eighteen months from the spring of 1905 to fall, 1906:

	Dr.	Cr.
Bought in spring of 1905, 4,750 ewes and lambs, at shearing time, at $2.60	$12,350	
Equipment	300	
Sold in fall of 1905, 1,375 sheep, at $3.50 (Omaha market)		$4,812
Sold in spring of 1906, 21,300 pounds wool, at 20 cents		4,260
Sold in fall of 1906, 4,375 sheep, at $4.20		18,375
Cost to run herd 12 months, spring, 1905 to 1906, at $1.70, based upon average number of grown sheep of 3,300	5,600	
Cost to run 2 summer herds, about 4,500, from spring to fall, 1906, based upon 3,200 grown sheep, at $1	3,200	
	21,450	27,447
		21,450
Gross profits on $12,650 for 18 months		5,997
Allowing that at least $1 of the selling price of each of the 5,750 sheep sold was due to the increasing value of sheep upon the market		5,750
		247

We find my profit on an investment of nearly $13,000 reduced to $247, or about 2 per cent on the investment. We also find that it actually cost 20 cents per pound to produce wool from this flock, and we further find that by adding a reasonable rate of interest (such as the witness paid at that time) of 10 per cent on the investment, the necessary cost to produce a pound of wool would have been more than 25 cents.

From this example, as from others submitted, the witness hopes to explain that no part of the present high cost of wool and mutton should be charged to the producer. Witness further submits that under present conditions it will be impossible to prevent gradual reductions in the production of wool and mutton in the open-range States, accompanied naturally by increased prices of these commodities.

From example 1, by deducting the profits shown as the result of the advance in the market price of sheep, we find that it cost approximately $3 per head to produce lambs 5 to 6 months old, and $4 to produce yearling sheep.

From example 2, where sheep are shown to have maintained comparatively high prices from 1907 to the present time, we find that it cost approximately $3.25 to produce lambs 5 to 6 months old, and about $4.50 to produce yearling sheep.

Thus it may be seen that at the present time and under conditions now existing it cost as much to produce a pound of wool or a pound of mutton as it will bring on the market.

For two or three years prior to 1905 the forestry department denied grazing permits to a great many wool growers, which had the effect of discouraging them to the extent that they decided to go out of the business, their offerings being frequently bought considerably below the market value. This condition of affairs, coupled with a steadily rising mutton and wool market enabled buyers to reap some fabulous profits up to a time when prices reached comparatively their present levels; but at no time during the past fifteen years have wool growers been able to make more than reasonable profits except as can be accounted for by the increased valuation of sheep.

Mr. Peter W. Peterson (farmer, Vermilion, S. Dak.), who raises hogs, cattle, and grain largely, explains the advance in prices of farm produce as due in general to high costs of production. In the last ten years up to 1907, Mr. Peterson says, his profits were small; the principal thing he had to show was the increased value of the land, but the last year or two since prices have gone up profits have been greater. Farm implements have gone up about 25 per cent in the last ten years, and farming supplies in general have advanced. Prior to 1909 the increase in the price of agricultural implements was proportionately greater than the advance in wheat and grain, but in the last two years the ratio has changed somewhat, and now Mr. Peterson thinks they are about even.

Mr. Peterson submits figures showing the increase in wages and and the value of land during the last eleven years, as follows:

Year.	Farm labor, average price per month.	Grain-producing land, average price per acre.	Year.	Farm labor, average price per month.	Grain-producing land, average price per acre.
1900	$18.00	$40.00	1906	25.00	55.00
1901	$19.00–20.00	40.00	1907	27.50	65.00
1902	22.50	45.00	1908	27.50	70.00
1903	22.50	47.50	1909	30.00	75.00
1904	25.00	50.00	1910	30.00	80.00
1905	22.50	50.00			

Mr. Peterson estimates that it costs him about 29½ cents a bushel to raise corn. He has from 100 to 175 acres in corn every year. Wheat he has not raised for several years, but he estimates that the cost for that is approximately 71½ cents a bushel; it varies according to the cost of the seed when it is sown. Oats cost about 30½ cents a bushel.

In explanation of the high price of hogs, Mr. Peterson says that in 1908 hogs were not selling as high in comparison as grain. It did not pay the farmers to feed their corn to the hogs at the price for which they could sell them at that time, consequently they put all of their hogs, young and old, on the market. In 1909 the same thing to a certain extent existed. Corn was high and hogs were not so high because they had put everything on the market the year before and finally filled the demand. The farmers again disposed of their hogs as quickly as possible so that they could sell their corn. Consequently there came a shortage in the foundation stock by which to produce pork, and now hogs have gone up high and corn is down. Mr. Peterson thinks, however, that there is indication of a return to the feeding of hogs which will tend to overcome that shortage, but it will take some time to replace the stock which they have sent to market.

Mr. Peterson says there is also a shortage in the cattle supply which is the cause of high prices. In the last few years the large territories left open for range purposes in South Dakota and other States have been opened up for settlement, and the ranchmen have had to give way. In 1908, especially, the ranchmen had to leave a large part of South Dakota, and had to dispose of large herds of cattle which they shipped to the markets and flooded them, with the natural consequence that the price went down. The agricultural farmers in South Dakota and adjoining States, who were producing beef cattle on a smaller scale, also felt disposed to sell what few cattle they had because they were making more money in other branches of cultivation. After this there was a shortage of cattle and the price of grain went down as that of cattle went up, in the same way as in the case of hogs. The cattle feeders now, considering the present price of cattle, are getting $1 a bushel for their grain. This of course will tend to increase the production of cattle. Also the farmers can raise more cattle to the acre than the ranchmen did. The latter required from 10 to 20 acres to pasture a cow, but when the agriculturist gets hold of this land and cultivates it, it will only take 2 or 3 acres to raise a cow, and in time they can produce more cattle than were produced

on the ranges. Cattle, however, increase slowly and it will be some time before the farmers can produce the same amount of beef that was produced one or two or three years ago.

Mr. J. B. POWER, who has a cattle and grain farm of about 2,500 acres at Power, N. Dak., in his testimony shows that there has been a general increase in the cost of production on the farm, and says that the present high prices of cattle are due to conditions of demand and supply.

As an item in cost of production, the wages which Mr. Power pays have increased from $20 a month in 1900 to $35 in 1910. This includes board. The following tables show the rates of wages paid the last ten years, the increase in the value of land, and an analysis of labor costs for different services:

Wages of farm hands and value of grain-producing lands.

	Regular hands per month and board.	Harvest, etc., extras, per day and board.	Threshing, including board.	Average daily wage, including board.	Value grain-producing lands per acre.
1910	$35.00	....	....	....	....
1909	27.50	$2.50	a $2.50	$0.94½	$40.00
1908	27.50	2.50	a 2.50	1.00	40.00
1907	25.00	2.00	2.25	.97	40.00
1906	25.00	2.00	2.25	.97	40.00
1905	25.00	1.75	2.25	1.08	40.00
1904	22.50	1.50	2.00	.91	40.00
1903	22.00	1.50	2.00	.87	40.00
1902	20.00	1.25	1.75	.82	40.00
1901	20.00	1.25	1.75	.82	40.00
1900	20.00	1.25	1.75	.82½	15.00

a $3 and up.

NOTE.—Wages per month, in column 1, are for the season of eight months April to November, inclusive. Winter wages for the four months ranged from $10 to $20 per month, including board, from 1900 to 1909, inclusive. Average daily wage, including board, in column 4, includes the regular and extra help and servants' wages. Cost of board during these years has ranged from 32 cents to 40 cents per day per capita, and includes the board of family and guests.

Consolidation of labor accounts, 1909.

Character of work.	Days.	Amount.	Character of work.	Days.	Amount.
Sundays	238	....	Chores	365	$313
Miscellaneous	206	$251	Herding	103	76
Stable	766	665	Wood, including sawing (60 cords)	105	131
Seeding (429 acres)	31	33	Grinding	20	36
Disking	12	9	Ice	17	16
Stubble plowing	110	140	Repairs to buildings	23	27
Manure haul	27	25	Repairs to fences	80	82
Haying (450 loads)	214	308	Servants	811	468
Harvesting	69	126			
Threshing	104	310			
Corn	80	128	Total	3,419	3,220
Garden	39	45			

Average per day, 94.18 cents.

Mr. Power says that the cost of board which figures as a part of the wages paid has ranged from 32 to 40 cents a day in the last ten years. It has been gradually increasing, but that has been largely by reason of the increase in the cost of labor, servants, wages, etc. The cost of material has not varied much.

Machinery and farm supplies have increased as well as wages. Since 1900 McCormick binders have risen from $95 to $130.

The following is a statement of prices paid local dealers for machinery and supplies from 1900 to 1910, inclusive:

Prices paid local dealers for farm machinery, etc.

	Binders.	Mowers.	Two-horse wagons.	Wheat drills.	Disks.	Gang plows.	Four-horse harrows.	Harness, per set.	Twine.
									Cents.
1910	$130	$50	$75	$120	$40	$80	$35	....	....
1909	130	50	75	120	40	80	35	$40	10
1908	125	48	75	120	40	80	35	40	10
1907	125	48	75	120	40	80	35	40	10
1906	125	48	75	120	40	80	35	40	10 1/2
1905	125	48	75	120	40	80	35	40	10 1/2
1904	125	48	75	120	40	80	35	40	12
1903	115	45	75	120	40	80	35	40	12
1902	115	45	75	120	40	80	35	40	12
1901	115	45	75	120	40	80	35	40	12
1900	95	40	60	100	35	70	30	35	11 1/2

Mr. Power has about 630 acres in cultivation, of which 320 acres is in wheat and the balance in feeding stuffs and meadow. He has worked out a statement showing the costs of production and profits for wheat for the last fifteen years. The statement follows:

Summary of wheat for fifteen years.

Cost of wheat includes labor, board of men, horse feed for days in field, repairs and depreciation of machinery, taxes, twine, haul to station, insurance, repairs to buildings, but does not include interest on investment, depreciation of live stock, nor keep of horses when not working—i. e., cost as per table includes actual cash outlay.]

Year.	Area.	Total yield.	Average per acre.	Average cost per acre.	Price per bushel.	Cost per bushel.	Profit per bushel.	Loss per bushel.	Profit per acre.	Loss per acre.
	Acres.	*Bushels.*	*Bushels.*							
1895	240	6,400	26 2/3	$5.00	$0.42	$0.18 3/4	$0.23 1/4	....	$6.20	....
1896	230	1,916	8 1/3	5.00	.50	.60	....	$0.10	....	$0.83 1/3
1897	228	3,084	13 1/2	5.00	.72 1/2	.37 3/10	.35 1/5	....	4.78 3/4	....
1898	310	5,404	17 3/8	5.00	.55	.28 5/8	.26 3/8	....	4.57	....
1899	360	5,000	14	5.00	.57	.36	.23	....	3.26	....
1900	360	1,926	5 1/3	5.00	.60	.93 1/3	....	.33 1/3	....	2.06
1901	350	4,900	14	5.50	.68 1/2	.39 1/3	.29 1/6	....	4.08	....
1902	385	7,524	19 1/2	5.75	.63	.28 7/8	.34 1/8	....	6.59	....
1903	290	5,417	18 2/3	5.75	.77	.30 3/4	.46 1/4	....	8.51	....
1904	315	3,507	11 1/10	6.00	.85	.53 7/8	.31 1/8	....	3.17	....
1905	310	3,300	10 2/3	6.00	.69 3/10	.55 3/4	.13 1/2	....	1.44	....
1906	266	3,574	13 3/8	6.00	.72 1/2	.44 2/3	.27 5/6	....	3.72	....
1907 [a]	251	3,611	14 1/2	6.50	.89 1/2	.38 2/3	.50 5/6	....	7.35	....
1908 [a]	243	3,774	15 1/2	6.50	.99 1/8	.41 3/8	.57 3/4	....	8.96	....
1909 [a]	250	3,920	15 3/4	6.50	1.00	.41 1/2	.58 1/2	....	9.18	....
Average	292 1/2	4,217	14 1/3+	5.63 1/3	.70 1/2	.43 3/8	.27 1/8	....	5.53	1.46

[a] Wheat land $40 per acre; three years' average profit per acre, cash outl ys, $8.08.

Cost of thrashing ranges from 6.09 to 9.36 cents per bushel.
Taxes, 1895, 5 cents per acre; 1909, 13 1/4 cents per acre; increase, 160 per cent.

Mr. Power carries about 250 head of cattle over every winter. He makes the following statement as to the cost of production and fattening cattle.

COST OF PREPARING CATTLE FOR MARKET, ETC.

Cost of feeders: Feeders, i. e., steers from 800 to 1,000 pounds, 2 1/2 to 3 years old, taken off grass and in condition to go into feed lot, after two years on grass and rough feed through the winters have ranged in cost the past ten years from $2.50 to $4 per hundredweight. Cost closely approximated by charge for labor, pasture, feed, interest on corn, bull service, and a proportion of the cost of repairs on buildings and fences.

Cost of feeding: When fattening, cost is determined by amount and value of grain and hay consumed and labor in care and feeding.

Labor: Part only of what is charged up for wages of barn men, and not separated except in some instances when feeding a particular bunch.

Interest, insurance, etc.: Never figured separately on cattle, these items being part of our general expense account.

Amount received for fat steer: See statement No. 2, showing prices received on sales.

Profit or loss: See memorandum below for special lots in 1906 and 1909; with these two exceptions, no separate accounts with individual lots sent to market.

NOTE.—1906—18 head 1,060-pound feeders, brought in from pasture September 1, estimated cost \$3.50 per hundredweight; fed for forty-five days at a cost of 8¾ cents per pound, on an average gain of 180 pounds each; sold October 20, net, at farm, \$5.25 per hundredweight on yard weights of 1,170 pounds each.

NOTE.—1909—40 head 1,040-pound 3-year-olds, brought in September 15, estimated cost \$4 per hundredweight; fed for sixty days at cost of \$18.75 each; net gain, 170 pounds, at yards; sold November 20, net, at farm, \$5.90.

Miscellaneous prices which enter into the cost of production are presented in the following table:

Year.	Miscellaneous prices, feed, etc.			
	Bran (per ton).	Shelled corn (per bushel).	Ground feed (per ton).	Twine.
1895	\$8.50			
1896	8.50	\$0.30		\$0.06½
1897	\$8.50-10.00		\$13.50	
1898	8.50-12.00			
1899	10.00-12.00	.40	15.00	
1900	11.00-12.00	.39½		
1901	11.00-14.00	.40		
1902	11.00			
1903	12.50	.45½		
1904	13.00-14.00			
1905	11.00-15.00			
1906	16.00	.42½		.09⅞
1907	20.00			.10
1908	22.00	.63½		.08 9/16
1909	22.00	.65		.10

The explanation for the high prices of meat to the consumer Mr. Power thinks to be found in the shortage of supply. The Department of Agriculture reports 694,000 less cattle of all kinds, except milch cows, in the United States now than in 1908, and 1,837,000 less hogs than a year ago. The Chicago market reports for the year just ended show the receipts of all kinds of cattle, except calves, as 689,700 less than in 1908, and 1,512,400 less hogs. Though there has been a decrease in the general cattle supply there has been an increase in the number of milch cows the past year of 526,000, according to the figures of the Department of Agriculture. This indicates a radical change in the cattle industry. In many localities milk production is found to be more profitable than beef making, and the cow is in fact taking the place of the steer. Three years ago beef cattle outnumbered the milch cattle by 30,598,000; to-day, by only 27,650,000.

Mr. Power says further:

One of the most important sources of diminished supply comes from the breaking up of the range lands. * * * As is well known the great influx of settlers to these western plains, irrigation and dry-farming methods, promising so much in crop returns

is rapidly breaking up the ranges and forcing the cattle barons to dispose of their great herds. These new settlers are taking their lands to cultivate them; they need the quick-money returns that grain crops will bring. They are not handling cattle now. They lack experience in breeding, care, and best methods of feeding, and, primarily, want of capital to secure the right foundation stock to build on. Several years will have to go by before these small farmers will be producers of cattle in numbers equal to the past supply of cheap cattle.

Another cause of decreased supply has been brought about by the changing methods of farmers in the corn-growing States. The constantly increasing demand for grain products with the consequent high prices of corn, wheat, and so forth, and for the past few years the low prices of cattle, hogs, and sheep making it unprofitable to feed has induced hundreds of stock breeders and feeders to plow up their lands, changing their pasture and meadow lands into grain fields. Farmers can not afford to feed the high-priced grain of to-day unless they get correspondingly high prices for their fat stock, and it is also a well-known fact to them that unless they have well-bred, high-grade animals that will respond quickly to good care and liberal feeding it will not pay. The classes of cattle that can be fed profitably are altogether too few on our farms; they are gradually increasing, but the process of improvement is slow and it will be many years before the great numbers of cheap native cattle heretofore furnished by the ranges will be replaced by good ones. * * *

The price of beef has not risen faster than the price of steers in the Chicago market. The increasing cost of feeding grain is the prime cause of the advancing prices of meat-producing animals on the hoof. The supply per capita per year is now estimated at some 185 pounds. It is not so large as it was and is rapidly declining. Advances in prices have been gradual but steady, following closely the falling off in supply * * * high prices of meats and other farm products have come to stay. There is only one-third of our population engaged in the work of producing on the farm, and it is feeding the remaining two-thirds.

Mr. JOHN H. SHEPPERD (dean of the agricultural college at Fargo, N. Dak.) attributes the advance in prices of farm produce to increase in the value of land and in general costs of production—wages, farm machinery, and supplies. The price of land, Mr. Shepperd says, has increased very markedly, about 150 per cent in the last ten years, and this represents quite an additional item of charge against production in the form of interest on the investment and taxes. Moreover, the producing capacity of the land has decreased with past management. The State is producing about 20 per cent less per acre in its grain crops—wheat, oats, barley, and flax—than it did earlier. There has come about a change in the type of farming in the State, and on account of this change farmers get a smaller amount of grain per farm than they did before. They have to change the staple crops for other crops and smaller tillage, e. g., corn crops, which bring in comparatively little cash value as compared with the standard grain crop. The lowering of yield on account of lack of fertility is a state of affairs which is immediately ahead, and the farmers are losing a little on production now in order to prepare for such a situation. The heaviest cropping farmer doesn't have more than four-fifths of his land in grain and he practically has to carry the other fifth as it stands to maintain the productive capacity of the land, and to combat weeds, which have come in as the lands have grown older, the farmer must have a less percentage of his land in market crops—wheat, flax, and barley—and more of it in corn fodder, millet, or other feed crops. Between 1886 and 1895 probably five-sixths of the land under cultivation produced a market crop annually. To-day the best farmers do not give these crops more than three-fifths of their cultivated fields which they farm. This is an item which adds to the cost of production.

The cost of farm labor has increased in ten years about 60 per cent. Moreover the farmers find that as the price goes up efficiency in general goes down.

Mr. Shepperd says he is not able to offer a satisfactory explanation for the scarcity of farm laborers. It would seem that there must be a demand for them in some other occupation. He thinks, however, that the number of farmers' boys who remain on the farm in the Northwest has been increased during the decade greatly. Their pride in the occupation of farming has been stimulated by the knowledge they have acquired through agricultural colleges. Also the increased comforts and enjoyments which are now available on the farm through the telephones, rural free delivery, etc., have made them more willing to stay on the farm. These changes, however, which have given dignity to the occupation of farming and made it more attractive have not tended to draw the laboring men from the city to the farm. Mr. Shepperd thinks it must be because of the long hours required and because the wage with board sounds small compared with the wage where they pay their own living and they do not properly take into consideration the value of board.

Mr. Shepperd submits the following statements showing the price of labor and value of farm lands:

Wages of farm hands and value of farm land.

Year.	Regular hands, with board, per month.	Regular hands, without board, per month.	Harvest hands, per day.	Value of farm land, per acre.
1910	$32.00	$50.00	......	$25.00
1909	32.00	50.00	$2.50	23.50
1908	32.00	50.00	2.50	22.00
1907	32.00	50.00	2.50	20.50
1906	23.50	38.50	2.50	19.00
1905	23.50	38.50	2.00	17.50
1904	23.50	38.50	2.00	16.00
1903	21.00	33.00	2.00	14.50
1902	21.00	32.00	2.00	13.00
1901	20.00	32.00	2.00	11.50
1900	20.00	32.00	2.00	10.00

The machinery and tools which the farmer must use cost him at least 19 per cent more than they did a decade ago. Harvesting machinery makes a heavy charge on the debit side of the grain growers' ledger, as such machinery is short lived. Mr. Shepperd obtained figures from retail firms showing what they charged for given machines ten years ago, and what they charge to-day, as well as prices for the several intermediate years, as follows:

Price paid by farmers for farming implements and supplies.

Year.	Binders.	Mowers.	Two-horse wagons.	Wheat drill.	Harrows, disk.	Plows, gang.	Harrows.	Binder twine, per pound.	Farm harness, per set.
1910	$130.00	$50.00	$75.00	$118.00	$35.00	$70.00	$34.00	$0.11	$35.00
1909	130.00	50.00	75.00	117.00	35.00	69.50	34.00	.11	34.50
1908	130.00	50.00	74.00	116.00	34.00	69.00	32.00	.11½	33.00
1907	120.00	47.50	74.00	114.00	34.00	68.00	30.00	.12	32.50
1906	120.00	47.50	73.00	112.00	33.00	68.00	30.00	.12	32.00
1905	120.00	47.50	70.00	112.00	33.00	67.00	28.00	.12½	31.50
1904	120.00	47.50	68.00	110.00	32.00	67.00	28.00	.12½	31.00
1903	120.00	47.50	65.00	110.00	32.00	66.00	28.00	.13	30.50
1902	100.00	45.00	64.00	110.00	32.00	66.00	28.00	.13	30.00
1901	100.00	45.00	63.00	110.00	30.00	65.00	28.00	.13½	29.50
1900	100.00	45.00	60.00	110.00	30.00	65.00	28.00	.13½	29.00

Mr. Shepperd also secured a statement from the International Harvester Company, showing what the increase in wholesale price has been.

Prices of farming implements and supplies charged by the International Harvester Company to its agents, f. o. b. Chicago, 1903 to 1909.[a]

Machine.	1909.		1908.		1907.		1906.	
	Two falls.[b]	Cash.	Two falls.	Cash.	Two falls.	Cash.	Two falls.	Cash.
6-foot binder	$107.50	$102.13	$107.50	$102.13	$100.00	$95.00	$100.00	$95.00
7-foot binder	110.50	104.98	110.50	104.98	103.00	98.00	103.00	98.00
4½-foot mower	38.50	36.58	38.50	36.58	36.00	34.00	36.00	34.00
5-foot mower	38.50	36.58	38.50	36.58	36.00	34.00	36.00	34.00
5-foot reaper	56.50	53.68	56.50	53.68	55.00	50.00	55.00	50.00
10-foot rake	....	20.40	....	20.40	....	19.00	....	19.00
Corn binder	107.50	102.13	107.50	102.13	100.00	95.00	100.00	95.00
Sisal twine (per pound)	....	.07½	....	.08¼	....	.09¼	....	.10
Standard twine (per pound)	....	.07¾	....	.08½	....	.09½	....	.10
Manila twine (per pound)	....	.08¾	....	.11¼	....	.12¼	....	.12
Pure manila twine (per pound)	....	.10	....	.13	....	.14	....	.13

Machine.	1905.		1904.		1903.	
	Two falls.	Cash.	Two falls.	Cash.	Two falls.	Cash.
6-foot binder	$100.00	$95.00	$100.00	$95.00	$100.00	$95.00
7-foot binder	103.00	98.00	103.00	98.00	103.00	98.00
4½-foot mower	36.00	34.00	36.00	34.00	36.00	34.00
5-foot mower	36.00	34.00	36.00	34.00	36.00	34.00
5-foot reaper	55.00	50.00	55.00	50.00	57.00	52.00
10-foot rake	....	19.00	....	19.00	....	19.00
Corn binder	100.00	95.00	100.00	95.00	100.00	95.00
Sisal twine (per pound)	....	.10	....	.10¼	....	....
Standard twine (per pound)	....	.10	....	.10¼	....	....
Manila twine (per pound)	....	.12½	....	.12½	....	....
Pure manila twine (per pound)	....	.13½	....	.13¼	....	....

[a] From International Harvester offices, Fargo, N. Dak., May 4, 1910.
[b] Two falls means that the purchaser gives his note for the machine payable the second fall season after the purchase is made. Cash means payment made during the fall season following harvest-time purchase.

Other farm supplies have also gone up. Horses are 25 per cent higher than they were ten years ago. Lumber and fencing (i. e., posts and boards) have increased about 100 per cent during the past ten years, while they have appreciated about 40 per cent in twelve months. Six-inch cedar fence posts fit for corners cost 25 cents each, and 4-inch cedar posts cost 19 cents apiece. They used to be 11 and 12 cents apiece and were of better grade than those purchased now. Binding twine, on the other hand, as shown by figures quoted above, is cheaper. It costs from 2½ cents to 3 cents less per pound than it did ten years ago, but this is the only item in farm supplies which Mr. Shepperd has been able to find that has gone down; cotton bagging has steadily gone up until it is almost prohibitive.

Showing the cost of production for wheat Mr. Shepperd quotes the manager of the Dalrymple farm, one of the largest in the State, which has between twenty and thirty thousand acres. Mr. Dalrymple says:

Our cost of production per acre for the year 1909 was $8.41 for each acre of grain raised. This includes all expenses inclusive of feed, seed, insurance, depreciation account, and taxes, but does not include any interest on the investment. It also includes the cost of carrying, plowing, etc., the land which we have in summer fallow and hay. Our cost the year 1908 was $8.25 per acre. Our average wheat crop for the past twenty years would probably not be over 14 bushels per acre, although we have been getting from 16 to 18 bushels for the past three or four years.

The Dalrymple farm, Mr. Shepperd says, is worth about $40 an acre. That at current rates would make an interest charge of $2.40 per acre. Interest on the capital invested in his machinery and horses would be at least 50 cents per acre, which would make a total charge of $2.90 per acre to be added to the cost of production, or a total of $10.74 per acre as his cost of an acre of wheat. Mr. Dalrymple gives his average crop for twenty years as not over 14 bushels per acre. On that basis of yield his wheat must sell for 76⁴⁄₇ cents per bushel to return him the current rate of interest on his investment.

Mr. N. T. Chafee, of Amenia, N. Dak., also a large farmer, told Mr. Shepperd that according to his experience a wheat crop can not be grown for less than $7 an acre on the basis of the last several years' prices. He also said he rents out 12,000 acres of land on a share of the crop plan, and his income from it on a basis of $30 valuation per acre is a net of 5 per cent on the investment. Share of the crop rental is almost universal with the few tenant farmers in North Dakota. The usual basis is for the owner to furnish, in addition to the land, the seed, keep up all repairs on buildings and fences, pay one-half of the twine and thrashing bills, and pay for hauling his share of the grain to market. He then gets as his share one-half the crop.

Mr. Shepperd presents an estimate, as given by farmers, of the itemized charges in production on an average for the different seasons. The statement follows:

Items of cost in production of wheat.

	Per acre.
Seed (1¼ bushels per acre)	$1.25
Plowing	1.50
Harrowing	.30
Seeding	.40
Cutting	.50
Shocking	.20
Thrashing	1.43
Marketing	.40
Twine	.30
Machinery	.55
Summer fallowing	.30
Total	7.13
Interest on capital invested	2.40
Total per acre cost	9.53

In the above calculation the farm unit is taken as 240 acres.

Value of 240 acres, at $25 per acre	$6,000
Value of horses and machinery required	2,000
Total capital	8,000

As regards live stock, Mr. Shepperd finds evidence of a shortage of supply which he thinks is the chief, if not the only cause, of the high price of live stock at the present time. The United States Department of Agriculture reports show this as well as the receipts at the Union Stock Yards, Chicago. The agents of the railroads—the Northern Pacific, the Northwestern, and the Burlington—all reported a similar shortage in cattle freight or in hog freight for 1909 as compared with 1908. A canvass of his own State, Mr. Shepperd says, shows that they have been falling off in the number of live stock regularly, with the exception of horses and mules, since 1896, and more

rapidly during the last two or three years than during the earlier years. He attributes this almost entirely to the breaking up of the ranges. This last year has seen the closing out of a great many of the herds and flocks, by virtue of the coming in of the small settler and the homesteader. This accounts for the shortage of cattle and sheep, but has nothing to do with the hog shortage. That must be due to the high price of hog feed, i. e., to the high price of corn in the corn belt, and of barley in the Northwest.

Mr. Shepperd says, moreover, that the run of stock to the market seems to have some indication of crippling our future supply. The receipts of live stock of all kinds in the early shipping season of 1907 were very high. This seemed to be due in part, at least, to the fact that the farmers were afraid that prices generally were going to depreciate, and they wanted to get their live stock off their hands before they lost in value. The high prices offered have brought into market an unusually large number of females and young stock. This is an encroachment which is apt to cut heavily upon future supply. The future of live stock prices, Mr. Shepperd thinks, will depend upon the price of land and the price of grain and the supply. After the supply comes to normal, the other two features will control it. On account of the increase in the price of land and the price of labor, and lumber for housing, it will tend to be higher than it was before this recent advance in prices, though Mr. Shepperd believes that the present prices will be reduced.

Mr. Shepperd is of the opinion that the price of farm land will advance until the income of the average farmer will be the wages of a farm hand, which he earns, and about 6 per cent on the capital invested. Aside from the increment in the value of the land, which has been great, the average farmer of North Dakota has made little more than wages during the past twenty years. The increase in value of their cheap lands has, however, made many of them rich.

Mr. THOMAS P. COOPER, of Minneapolis, Minn., assistant agriculturist of the Minnesota experiment station, testifies as to the costs and profits in the production of farm commodities. Mr. Cooper is in charge of the demonstration farms which in 1902 the experiment station in cooperation with the United States Department of Agriculture established in order to discover, if possible, the cost of producing all kinds of farm products. Very careful accounts have been kept, and Mr. Cooper says their statements are similar to the statements that would be obtained from any factory cost-keeping system. "Statistical routes" were established among groups of from eight to ten farmers who were selected as representative and asked to cooperate. A route statistician, an employee of the Bureau of Statistics and the Minnesota experiment station, is stationed on each of the routes; he visits the farmers daily, obtaining from them the hours of labor performed on each crop and enterprise of the farm, also a statement of the receipts and expenditures of the farm.

Practically all of the factors in the costs of production are included in the following items, viz, labor of men and horses, value consumed in machinery, seed, twine, and sundry cash items, the rental value of the land, and interest upon the farmer's investment in lands, stock, and buildings. These costs have been computed singly and in combination for the various factors, and are presented in the following tables.

Average rate of wages per hour (including cost of board) for man labor hired by the month, years 1905–1909.

Year.	Northfield.[a]	Marshall.[a]	Halstad.[a]
1905	$0.113	$0.1223	$0.1189
1906	.1174	.1168	.1141
1907	.1336	.1286	.1163
1908	.1385	.1377	.1260
1909	.1442	.1454	.1366
	Per cent.	*Per cent.*	*Per cent.*
Increase, 1905–1909	27.6	18.8	[illegible]

[a] Northfield, Marshall, and Halstad are names used to designate the different groups of experimental farms.

Average cost of man labor hired by day—Crop season.

[Rate per hour.]

Year.	Northfield.	Marshall.	Halstad.
1906	$0.2391	$0.2225	$0.1911
1907	.2458	.1894	.1972
1908	.2985	.2083	.1863
1909	.2424	.1851	.1998

The following table shows the average cost of man labor hired by the month based upon the crop season, when employment is the greatest, and the winter season, when comparatively little labor is hired. As will be noted, the increase in cost of labor during the crop season is fully as great as that shown in the previous table, giving the average rate of wages per hour for the year.

Average cost of man labor by the month.

[Rate per hour.]

Year.	Northfield.		Marshall.		Halstad.	
	Crop season.	Winter season.	Crop season.	Winter season.	Crop season.	Winter season.
1905	$0.1163	$0.1084	$0.1323	$0.1084	$0.1256	$0.1095
1906	.1202	.1133	.1224	.1088	.1151	.1126
1907	.1467	.1152	.1349	.1199	.1132	.1218
1908	.1376	.1410	.1324	.1547	.1372	.1352
1909	.1495	.1284	.1465	.1438	.1133	.1413

Crop season, months April to November, inclusive. Winter season, months December to March, inclusive.

In estimating the cost of labor, board has been counted in. This has been determined by charging against the farm all foodstuffs purchased by it, all farm produce that is obtained from the farm at the market price less the cost of transportation, and the charge for wages of the women in preparing the food.

Average cost of farm board per month.

Year.	Northfield.	Marshall.	Halstad.
1905	$11.18	$11.89	$10.74
1906	13.37	11.92	11.38
1907	14.32	12.77	11.42
1908	14.69	13.19	11.29
1909	14.93	13.51	11.21

Cost of different items of board on the farm in 1907.

Locality.	Average cost per farm.									
	Farm produce.		Groceries and fuel.		Man and horse labor.		Woman labor.		Furnishings.	
	Value.	Proportion of total cost.	Value.	Proportion of total cost.	Value.	Proportion of total cost.	Value.	Proportion of total cost.	Value.	Proportion of total cost.
		P. ct.		*P. ct.*		*P. ct.*		*P. ct.*		*P. ct.*
Northfield	$135.62	23.39	$172.82	31.68	$24.40	4.24	$206.74	35.61	$29.74	5.12
Marshall	260.87	34.84	229.47	30.64	30.12	4.02	214.51	28.65	13.83	1.85
Halstad	222.97	31.81	170.89	24.38	57.74	8.24	216.66	30.91	32.46	4.63

Average number boarded per month (on basis of adult males), Northfield 3.51, Marshall 5.22, Halstad 6.29

Another phase of the labor cost is the cost of horse labor. This is established by taking the total cost of maintenance for the horse, which includes the cost of feed, the depreciation of the animal, the interest on investment, shelter charges, depreciation in harness, cost of shoeing, and cost of care. Dividing that by the total number of hours that the horses work in the year gives the basis upon which to establish the cost.

Average cost of horse labor per hour.

Year.	Northfield.	Marshall.	Halstad.
	Cents.	*Cents.*	*Cents.*
1905	8.5	8.0	7.50
1906	9.53	8.54	7.50
1907	11.39	9.42	7.80
1908	12.05	8.69	8.89
1909	9.64	9.94	8.72

The labor cost in the production of particular commodities has been worked out as follows:

Hours of man and horse labor required in the production of corn.

1906.

Items.	Northfield.		Marshall.		Halstad.	
	Man, hours per acre.	Horse, hours per acre.	Man, hours per acre.	Horse, hours per acre.	Man, hours per acre.	Horse, hours per acre.
Shelling or grading seed						
Plowing	3.96	10.83	3.14	11.73		
Harrowing	[a] 1.68	4.46	[b] .95	3.50		
Planting	.961	1.793	.819	.158		
Cultivating	[c] 6.43	12.42	[d] 6.72	13.39		
Husking	14.78	17.26	7.52	12.66		
General expense	1.8	1.1	1.8	1.1		
Total hours labor	29.611	47.863	20.949	42.538		

[a] Average harrowing, 3 times.
[b] Average harrowing, 4.25 times.
[c] Average cultivation, 4.1 times.
[d] Average cultivation, 4.7 times.

Hours of man and horse labor required in the production of corn—Continued.

1909.

Items.	Northfield.		Marshall.		Halstad.	
	Man, hours per acre.	Horse, hours per acre.	Man, hours per acre.	Horse, hours per acre.	Man, hours per acre.	Horse, hours per acre.
Shelling or grading seed	0.72	....	....	....	....	....
Plowing	3.96	10.83	3.16	12.17	1.9	9.31
Harrowing	a 1.44	4.14	b 1.68	6.06	c .73	2.70
Planting	1.12	1.32	1.17	2.22	1.93	.94
Cultivating	d 7.01	13.68	e 5.35	10.39	f 6.84	13.45
Husking	12.00	14.70	8.13	16.2	11.93	10.32
General expense	1.8	1.1	1.8	1.1	2.06	1.27
Total hours labor	28.05	45.77	21.29	48.14	25.39	37.99

a Average harrowing, 4.5 times.
b Average harrowing, 4.3 times.
c Average harrowing, 2.6 times.
d Average cultivation, 0.3 times.
e Average cultivation, 3.8 times.
f Average cultivation, 5.7 times.

Hours of man and horse labor required in the production of spring wheat.

Items.	Northfield.		Marshall.		Halstad.	
	Man, hours per acre.	Horse, hours per acre.	Man, hours per acre.	Horse, hours per acre.	Man, hours per acre.	Horse, hours per acre.
1906.						
Cleaning seed	....	....	0.26	0.26	0.261	....
Plowing	3.96	10.83	3.14	11.73	2.25	10.74
Dragging	a .754	2.17	b .46	1.76	c .896	3.44
Seeding	.85	2.33	.61	2.12	.73	2.70
Cutting	1.04	3.53	1.04	3.78	.92	3.12
Shocking	1.71	....	1.14	....	1.06	....
Stacking	3.15	3.41	2.85	3.67	2.21	2.50
Stack thrashing	3.5	.96	1.49	1.12	1.33	.56
Storing and marketing	2.02	3.67	1.26	1.35	.91	1.03
General expense	.921	.557	.921	.557	.110	.037
Total hours labor	17.905	27.457	13.171	26.087	10.677	24.217
Shock thrashing	5.71	5.71	2.49	4.08	....	....
1909.						
Cleaning seed	0.767	....	0.23	....	0.324	0.11
Plowing	3.96	10.83	3.16	12.17	1.9	9.31
Dragging	d 1.16	3.10	e .91	2.66	f .81	3.30
Seeding	.72	1.75	.55	2.22	.63	2.47
Cutting	.908	2.56	.85	2.94	1.04	3.18
Shocking	1.59	....	.88	....	1.58	....
Stacking	3.2	3.5	2.23	3.47	2.83	2.83
Stack thrashing	3.13	.595	.67	.93	1.03	....
Storing and marketing	1.83	2.19	.997	1.25	1.09	1.61
General expense	.921	.557	.921	.557	.110	.037
Total hours labor	18.180	25.082	11.398	26.197	11.344	22.847
Shock thrashing	....	....	2.66	.46	2.20	3.34

a Average harrowing, 1.9 times.
b Average harrowing, 1.4 times.
c Average harrowing, 2.8 times.
d Average harrowing, 2.4 times.
e Average harrowing, 2.7 times.
f Average harrowing, 2.1 times.

In addition to the increase in labor costs, the price of farm machinery and supplies has gone up. Mr. Cooper thinks this increase has been somewhere between 10 and 20 per cent from 1902 to 1909. Investment in land has increased at a rough estimate about 20 per cent in these years.

General costs of production for various enterprises are shown in the following tables:

Cost of production per acre of staple farm crops in Minnesota, by three-year periods.

Crop.	Halstad.				Marshall.			Increase 1902–1904 to 1908–9.
	1902–1904.	1905–1907.	1908–9.	Increase, 1902–1904 to 1908–9.	1902–1904.	1905–1907.	1909.	
				Per cent.				*Per cent.*
Wheat	$6.92	$7.50	$8.82	27.4	$8.54	$9.74	$11.35	32.9
Oats	6.97	8.71	8.59	23.2	9.48	10.10	11.33	19.5
Flax	7.53	8.47	8.20	8.9	9.51		11.91	25.2
Barley	7.07	8.40	8.11	14.7	9.23	10.03	9.87	6.9
Tame hay					5.48	6.63	6.71	22.4
Corn					10.46	11.24	11.61	10.9
	1907.	1908.	1909.					
Potatoes	$28.37	$28.22	$30.13	6.2				

Crop.	Northfield.				Increase, all farms 1902–1904 to 1908–9.
	1902–1904.	1905–1907.	1908–9.	Increase, 1902–1904 to 1908–9.	
				Per cent.	*Per cent.*
Wheat		$10.86	$13.05	20.1	26.2
Oats	$10.68	10.87	11.75	10.0	18.7
Flax	10.68	11.31	11.93	11.7	15.6
Barley	9.99	11.16	11.90	19.1	13.6
Tame hay	6.47	7.33	9.30	43.7	34.0
Corn	12.76	13.82	14.66	14.9	13.1

Items comprising cost of crop production: Seed, twine, labor (man and horse), machinery, general expense, marketing, miscellaneous items, interest on investment.

Average cost of production per bushel based upon average yields per acre for Minnesota and average cost of production per acre.

	1902–1904.	1908–9.
	Cents.	*Cents.*
Wheat	66	75
Oats	24.5	38.3
Corn	44.6	41.2
Barley	35.1	40.9
Flax	88.8	103.7
Potatoes (100-bushel crop)		30

Average yields per acre by periods, 1902–1904, 1905–1907, 1908–9.

	1902–1904.	1905–1907.	1908–9.
	Bushels.	*Bushels.*	*Bushels.*
Wheat	13.3	12.4	14.8
Oats	36.8	31.5	27.5
Corn	26	31	31.9
Barley	24.9	25.8	24.3
Flax	10.4	10.9	10.3

Cattle enterprise, 1905–1909.

NORTHFIELD.

	Dr.	Cr.
Inventory	$41,040.75	
Feed, cows	16,191.34	
Feed, miscellaneous cattle	6,100.98	
Labor	12,974.31	
Miscellaneous cash expenditures	558.59	
Cash purchases	12,425.55	
General expenses[a]	3,000.00	
Machinery costs	281.56	
Shelter costs	1,388.25	
Produce used in house		$1,271.34
Cash sales, dairy products		31,351.12
Cash sales of stock		19,861.58
Cash sales of beef and veal		2,363.46
Value of milk fed to stock other than cattle		1,170.97
Interest on investment at 5 per cent	2,052.04	
Inventory oil meal		1.15
Inventory		49,312.00
Gain	9,318.25	
	105,331.62	105,331.62

MARSHALL.

	Dr.	Cr.
Inventory	$12,835.50	
Feed, cows	3,292.72	
Feed, miscellaneous cattle	4,915.83	
Labor	3,046.31	
Miscellaneous cash expenditures	73.92	
Cash purchases	4,128.06	
General expenses[a]	419.15	
Machinery costs	77.11	
Shelter costs	230.75	
Produce used in house		$1,645.96
Cash sales, dairy products		3,137.28
Cash sales of stock		9,328.55
Cash sales of beef and veal		592.70
Value of milk fed to stock other than cattle		756.69
Interest on investment at 5 per cent	641.72	
Inventory		12,851.00
Loss		1,448.94
	29,761.12	29,761.12

HALSTAD.

	Dr.	Cr.
Inventory	$19,753.70	
Feed, cows	9,534.81	
Feed, miscellaneous cattle	6,663.14	
Labor	10,310.95	
Miscellaneous cash expenditures	210.38	
Cash purchases of stock	760.00	
General expenses[a]	1,591.28	
Machinery costs	336.86	
Shelter costs	1,064.25	
Produce used in house		$4,790.64
Cash sales, dairy products		10,452.36
Cash sales of stock		6,012.22
Cash sales of beef and veal		896.46
Value of milk fed to stock other than cattle		1,884.41
Interest on investment at 6 per cent	1,185.22	
Inventory		19,800.50
Loss		7,573.97
	51,410.56	51,410.56

[a] General expenses approximated.

Cost of production of dairy products.

Year.	Halstad.		Marshall.		Northfield.	
	Milk per hundredweight.	Butter fat.	Milk per hundredweight.	Butter fat.	Milk per hundredweight.	Butter fat.
	Cents.	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*
1904	124.1	31.6				
1905	123.9	31.4			104.9	28.4
1906	125.1	32.4	132.7	34.7	113.3	30.8
1907	127.5	32.1	145.5	36.5	127.0	36.0
1908	125.9	31.6	109.9	25.4	147.1	41.3
1909	121.2	31.1	124.6	33.5	147.6	43.8

Cost of production based on 623 cow years at Northfield, 151 at Marshall, 475 at Halstad.
Items making up cost of production: Cash sundries (cash), feeds (farm grown), labor (man and horse), depreciation, general expense, interest on investment (5-6 per cent), machinery cost, shelter (3 per cent investment), $2.25 ($30 investment).

Average annual cost of feed per cow.

Year.	Halstad.	Marshall.	Northfield.
1904	$17.12		
1905	16.04		$22.84
1906	18.13	$18.69	23.52
1907	19.20	23.94	26.80
1908	23.85	22.43	31.41
1909	24.69	24.42	26.30

Average annual yield of milk and butter fat per cow.

Year.	Northfield.		Marshall.		Halstad.	
	Whole milk.	Butter fat.	Whole milk.	Butter fat.	Whole milk.	Butter fat.
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*
1904					3,527	141
1905	4,875	180			3,867	152
1906	4,472	162	3.360	128	4,042	156
1907	4,662	164	3,611	144	3,906	156
1908	5,253	187	4,738	204	4,410	175
1909	5,121	174	4,516	168	4,975	194

Mr. Cooper thinks that the price the farmer has been receiving for his produce has only within late years been sufficient to even cover the cost of production and to allow him to make any profit at all. Present prices, he says, have just overtaken the cost of production on the farm.

Mr. Cooper says, regarding the experimental farms:

Eighty-one farms extending over a three-year period up to 1907 showed on a total capitalization of $1,337,579.25 that the actual percentage earned on the investment on these farms was 4.09 per cent. Of course the farmer had received going wages for his labor amounting approximately to $25 or $26 a month and his board, and the farmer's family has been paid in the same way, but his investment had only earned him 4.09 per cent. * * * Average real estate loans there are made at about 5½ per cent, which would mean that as far as the farmer's investment is concerned during that entire period of time that there was a net percentage of loss of about 1½ per cent. During 1907 and 1908 * * * preliminary statements * * * gotten out for the farmers show a small profit on the investment.

At Marshall the average earnings of the experiment farm were 6½ per cent upon an investment of a little over $171,000; at Northfield, 5½ per cent on an investment of a little over $110,000; and at Halstad, 6 per cent on about $100,000 investment. For the farms on the Marshall statistical route the average earnings for 1909 were 6.8 per cent, which is 1.3 per cent net profit on these farms. The Northfield route shows a little more than 6 per cent, and at Halstad the earnings are approximately 7½ per cent, which would give them about a 1½ per cent net profit.

Mr. Cooper also presents a summary of these farm earnings in the following statements:

Summary of farm earnings, 1905–1907 (81 farms).

Total investment	$1,337,579.25
Total gross income	$268,709.64
Total operating expense	$214,026.47
Earnings on investment	$54,683.17
Per cent earned on investment	4.09
Total acres in farms	25,018

Summary of earnings on investment, 1908–9.[a]

Route.	Investment.	Earnings on investment.	Per cent earned.
Northfield	$218,956.00	$17,012.89	7.7
Marshall	341,314.00	23,057.51	6.6
Halstad	256,681.00	27,870.15	10.8

[a] Based upon preliminary statements, which are approximately correct.

2. COTTON.

Mr. Cleveland (cotton planter, South Carolina) attributes the rise in the price of cotton to the scarcity and also says that costs of production have undeniably increased. In 1905, when cotton was selling at 6 cents a pound, he made absolutely nothing at that price; it could not be raised and sold at a profit. Even to-day, when cotton is approximately 15 cents, Mr. Cleveland does not know any cotton growers in his section who are getting rich. Wages, farm implements, and farm supplies of all kinds, including horses and mules, have gone up. The latter have just about doubled in price in the last five years. Land values have also advanced. The following statements submitted by Mr. Cleveland show what the advances in these items of the cost of production have been:

Wages paid farm hands.

Year.	Hands employed by the year.		Cotton pickers (per 100 pounds).
	With board.	Without board.	
1910	$12.00–$15.00	$20.00	$0.50–$0.75
1909	12.00– 15.00	20.00	.50– .75
1908	10.00– 15.00	18.00	.40– .60
1907	10.00– 12.00	18.00	.40– .50
1906	9.00– 12.00	15.00	.40– .50
1905	8.00– 10.00	12.00	.35– .50

Prices paid for farming implements and supplies.

Year.	Horses.	Mules.	Farm wagons.	Harness.	Fertilizer. Price per ton.	Fertilizer. Analysis.
1910	$200-$250	$250-$300	$60-$85	$10-$20 25- 40	$23-$25	Standard.
1909	200- 225	225- 275	60- 85	25- 40	23- 25	Phos. acid, 9.
1908	180- 200	200- 225	60- 85	25- 40	23- 25	
1907	160- 180	180- 200	60- 85			
1906	140- 160	160- 180	60- 85			
1905	125- 150	100- 125	60- 85			
1904	100- 125	100- 125	50- 60			

Year.	One-horse plows.	Two-horse plows (disk).	Harrows.	Mowers.	Jute bagging and ties.
1910	$3.50-$5.00	$12.00-$35.00	$2.00-$25.00	$50.00	$1.00-$1.50
1909	3.50- 4.00	12.00- 35.00	2.00- 25.00		
1908	3.00- 4.00	10.00	1.50- 20.00		
1907	2.00- 3.00	9.00			
1906	2.00- 3.00	8.00			

Value per acre of cotton-producing land and price of supplies.

Year.	Value per acre.	Flour (per barrel).	Meat (per 100 pounds).	Lard (per 100 pounds).	Corn (per bushel).
1910	$25.00-$100.00	$6.25-$6.75	$15.00-$16.00	$15.00-$16.00	$1.00
1909	20.00- 80.00	7.00- 8.00	12.00- 12.50	12.00- 12.50	1.00
1908	15.00- 70.00	5.50- 6.00	10.00- 11.00		$0.80- .90
1907	10.00- 50.00	5.00- 5.50	8.00- 9.00		.70- .80
1906	5.00- 20.00	4.50- 5.00	7.00- 8.00		.75
1905			6.00- 7.00		.60- .70
1904			5.00- 6.00		

Mr. R. P. Stackhouse (cotton planter, South Carolina) says that the present seemingly high price of cotton is due to the scarcity more than to anything else. The cost of production of cotton, however, is much higher. Mr. Stackhouse does not think that there is anything they touch in the production of cotton which is not 100 per cent higher. Money wages are about 300 per cent higher. From 1885 to 1900 Mr. Stackhouse hired his labor for $6 a month and board; now some of his neighbors pay $20 a month. However, there is no change under the share system of hiring labor in the proportion of the crop which the laborer gets; that is still one-half. For those planters who hire labor by the month, groceries make quite a considerable item in the labor cost. Mr. Stackhouse was informed by a wholesale groceryman in Dillon as to what the advance in staple groceries had been. Since 1905, he learned, ham has advanced 70 per cent, bacon 100 per cent, compound lard 50 per cent, pure leaf lard 70 per cent, pure hog lard 50 per cent, flour 50 per cent, oats about 40 per cent, rice about 20 per cent, and sugar about 10 per cent.

The general increase in the price paid for labor of all kinds—hands employed by the year and by the month, with and without board, as well as cotton pickers paid by the pounds of cotton picked—Mr. Stackhouse estimates is about 100 per cent.

Fertilizer is another item of expenditure which has increased. Acid phosphate, which in 1895 was bought for $5.25 a ton, costs $13 to-day. Kainit has followed at about the same rate. Cotton-seed meal, which is used for fertilizer, could be bought for $15 a ton at that time, and this year it has cost from $27 to $35 a ton. Mr. Stackhouse uses from $10 to $20 worth of fertilizer per acre.

Mr. Stackhouse submits figures showing what the advance has been in farming implements and supplies, horses and mules, and the value of land. The statements follow:

Price paid for farming implements and supplies.

Year.	Horses.	Mules.	Farm wagons.		Harness.
			One-horse	Two-horse.	
1910	$225.00	$267.50	$27.50	$52.50	$17.00
1909	220.00	245.00	26.25	50.00	....
1908	210.00	235.00	23.50	47.50	....
1907	190.00	215.00	23.50	47.50	....
1906	170.00	200.00	23.50	47.50	....
1905	140.00	170.00	23.50	47.50	....
1904	115.00	155.00	23.50	47.50	9.50

Price paid for farming implements and supplies.

Year.	One-horse plows.	Two-horse plows.	Harrows.	Mowers.
1910	$1.50	$6.67	$18.50	$42.50
1909	1.50	6.67	18.50	42.50
1908	1.35	6.67	17.50	42.50
1907	1.25	6.35	17.50	42.50
1906	1.20	6.35	16.50	37.50
1905	1.10	4.65	16.50	37.50
1904	1.10	4.65	15.00	35.00
1903	1.00	4.50	15.00	35.00
1902	1.00	4.50	15.00	35.00
1901	1.00	4.50	15.00	35.00
1900	1.00	4.50	15.00	35.00

Value per acre of cotton-producing land.

Year.	Value per acre.
1910	$75.00-$150.00
1909	....
1908	....
1907	....
1906	....
1905	....
1904	....
1903	....
1902	....
1901	....
1900	30.00- 50.00

Mr. Stackhouse does not believe, even with the cotton prices of to-day, that the actual producer of cotton is getting very much out of it. Marginal profits are greater than they were when cotton was 6 cents a pound, but that was a starvation price for everybody.

Mr. J. C. HICKEY (cotton grower and banker, Texas) says that it costs more now to produce cotton in Texas than it did five years ago. He estimates the present cost per pound at from 8 to 10 cents. There has been an advance in wages of from $8 to $10 a month up to $18 and $20 now. Mules and horses have advanced in price very materially. Farm wagons and harness are about 20 per cent higher than they were ten years ago. Mr. Hickey says there is little or no fertilizer used in the country where he raises cotton (Henderson, Tex.), but the growers are put to a considerable expense by the cost of fighting the boll weevil. When the boll weevil first appeared it reduced the cotton crop in Mr. Hickey's county from 32,000 pounds in 1904 to 6,000 pounds in 1907. This, with the low prices of cotton, reduced the value of cotton land very materially. Now, however, they are learning better how to fight the boll weevil and make a crop. The acreage has increased again and production has come up to about 16,000 pounds. Land values have also advanced, and are now $40 to $50 more than they were five years ago.

Mr. Hickey submits the following tables showing the cost of farm machinery and supplies, the wages of farm hands, and the value of cotton-producing land:

Prices paid for farming implements and supplies.

Year.	One-horse plows.	Two-horse plows.	Harrows (disk).	Mowers.	Jute bagging and ties (per bale).
1910	$2.50	[a]$7.50-$10.00	$27.50	$55.00	$0.70
1909	2.50	([b])	27.50	55.00	.75
1908	2.50	([b])	27.50	50.00	1.00
1907	2.00	([b])	25.00	50.00	.90
1906	2.00	([b])	25.00	50.00	.90
1905	2.00	([b])	25.00	50.00	.75
1904	2.00	([b])	25.00	50.00	.70
1903	2.00	([b])	25.00	50.00	.70
1902	2.00	([b])	25.00	50.00	.70
1901	2.00	([b])	25.00	50.00	.70
1900	2.00	([b])	25.00	50.00	.70

[a] According to size.

[b] No change in retail price on this line of plows.

Prices paid for farming implements and supplies.

Year.	Horses.	Mules.	Farm wagons.	Wagon harness.	Fertilizer.
				Per set.	*Per ton.*
1910	$125.00	$150.00	$70.00	$40.00	$25.00
1909	125.00	150.00	67.50	40.00	25.00
1908	120.00	140.00	65.00	40.00	25.00
1907	120.00	140.00	60.00	35.00	20.00
1906	120.00	140.00	60.00	35.00	20.00
1905	100.00	120.00	60.00	35.00	20.00
1904	100.00	120.00	57.50	35.00	20.00
1903	90.00	140.00	57.50	30.00	20.00
1902	90.00	140.00	55.60	30.00	20.00
1901	85.00	125.00	55.00	25.00	20.00
1900	85.00	110.00	55.00	25.00	20.00

Wages paid farm hands.

Year.	Hands employed by the year (per month).		Hands employed by the season (per month).		Cotton pickers (per 100 pounds). (*a*)
	With board.	Without board.	With board.	Without board.	
1910	$20.00	$25.00	$20.00	$30.00	....
1909	20.00	25.00	20.00	30.00	$0.50
1908	15.00	20.00	18.00	25.00	$0.50- .75
1907	15.00	20.00	18.00	25.00	.50- .60
1906	12.50	16.00	15.00	20.00	.50- .60
1905	12.50	16.00	15.00	20.00	.50- .75
1904	12.50	16.00	15.00	20.00	.50- .75
1903	10.00	15.00	12.50	18.00	.50- .60
1902	10.00	15.00	12.50	18.00	.50- .60
1901	10.00	15.00	12.50	18.00	.50- .60
1900	10.00	15.00	12.50	18.00	.50- .60

a The range of prices in the black lands in middle Texas was about 20 per cent higher for picking cotton.

Value per acre of cotton-producing land.

1910	$5.00-$20.00
1909	5.00- 20.00
1908	4.00- 15.00
1907	4.00- 12.00
1906	3.50- 10.00
1905	3.50- 10.00
1904	3.00- 8.00
1903	3.00- 8.00
1902	2.50- 7.00
1901	2.00- 6.00
1900	2.00- 5.00

Mr. PARKER (cotton manufacturer, South Carolina) says that everything the planter buys, as a general proposition, has advanced. The same class of laborers who now receive from $15 to $25 a month, in addition to rations, used to be employed when Mr. Parker was a boy at $6 and $8. Mr. Parker does not think, however, that a larger proportion than 10 or 15 per cent of the entire cotton crop is made by hired hands. A large proportion is made by tenants and small growers, so the wages paid figure only as a measure of what the man who labors himself would expect to receive.

Besides wages, farm supplies have also gone up. Mules which formerly could be bought for from $75 to $90, to-day cost from $200 to $225 or even $300. Land also has materially increased in value. The same lands which were selling ten years ago at an average of $15 an acre bring at the present time from $25 to $30 an acre. Under these circumstances Mr. Parker does not feel that the advance in the price which the planter receives for cotton is unjustifiable. In 1897 and 1898, when the average price of cotton per pound to the producer was less than 6 cents, he does not believe there could have been a single grower in the South who found it profitable to raise cotton at that price. At a price of 10 cents and above there is a remunerative yield to the average producer, depending upon his success with the crop. In Mr. Parker's immediate section, the upper part of South Carolina, there was a crop disaster this last year. The aggregate of the whole section shows a crop of approximately 10,000,000 to 10,500,000 bales. The average yield being as small as it is, Mr. Parker thinks, justifies the price of cotton now prevailing.

B. Advance in Wholesale Prices.

1. COMBINATIONS.

a. Meat.—Mr. Castleberg (wholesale and retail butcher of Richmond, Va.) says that the large western packers came to Richmond about ten years ago, and in order to gain a foothold cut prices to less than beef cost them alive. They kept this up for about a year or more until they had gained the trade, and now they sell about 75 or 80 per cent of the meat sold in Richmond. They drove out all the independent butchers except two. At the present time their prices are about the same as those of the local butchers.

Mr. Brauer (wholesale and retail butcher, Richmond, Va.) says that ever since the western packers established themselves in Richmond his business has been gradually declining and his profits have been much smaller. When they first came the people did not take hold, so they got men to open retail stores and handle their meat, which they sold at lower prices than the other butchers could afford to sell it. They also offered their meat wholesale at lower prices than it could be bought at the stock yards, and in this way they succeeded in getting the trade. Now three-fourths of the retailers handle the western meat. The prices at which the western meat and the home-killed product are sold, Mr. Brauer thinks, are about the same now.

Mr. Brown (butcher and market man, Washington, D. C.), who buys cattle direct from the farmer, says that he sells at about the same price as the men who buy from the packing houses; he could probably buy as cheaply, or more so, from the latter if his trade did not prefer home-killed meat. The large packers can afford to sell their meat cheaper in Washington than Mr. Brown can and make a good profit, because the packer gets his profits out of the by-products that Mr. Brown must throw away.

Mr. Rollman (retail butcher, New York City) buys his meat of western packing houses in New York City (i. e., Armour, Swift, Cudahy, National Packing Company, etc.), because he thinks he can do a little better with them than he can with the New York butchers. Mr. Rollman, however, says that the retailers are crushed by the high prices they have to pay. He does not know whether it is the fault of the wholesalers or not, but there does not appear to be any competition among them, as their prices are all alike.

Mr. Charles Rohe, president of the American Meat Packers' Association, and also of the firm of Rohe & Bro., pork packers, of New York City, testifies that his association is merely a trade organization, such as are found in all lines of business; "that the association does not do anything to affect in any way the consumption price or the purchase price," and that it has no possible connection with the sale and distribution of the product of its members.

Mr. George L. McCarthy, of New York City, who was instrumental in the organization of the American Meat Packers' Association, and is its present secretary and the editor of the National Provisioner, says the association "has never, in any way, shape, or form, discussed the question of prices or competition or credits, or any of those matters. The purpose of the organization, as is indicated in its constitution and the by-laws, is the discussion of matters of a

manufacturing or technical nature; the dissemination of information to the members which will be of interest to them; action whenever possible to further the industry as a whole, to better it, to get out better products, and to improve conditions."

Both Mr. Rohe and Mr. McCarthy assert that they know of no combination of any kind existing in the packing industry which makes any attempt to regulate prices or otherwise control the trade. The Chicago Board of Trade, Mr. McCarthy says, fixes prices of certain packing-house products, in the same way that the Stock Exchange makes prices. It is a speculative market where packers can buy or sell as they want to. The quotations on the Chicago Board of Trade appear every morning and the packer sells his product according to them.

Mr. AGAR (meat packer, Chicago, Ill.) says the purpose of the American Meat Packers' Association is "to establish an identity for the industry, to confer with Washington officials in their interpretation of the meat-inspection law, and social features;" furthermore, that neither within nor without the association has he knowledge of a combination of any kind among the packers for the purpose of making or maintaining prices. There is keen competition in buying as well as selling. The Chicago Board of Trade, in a way, fixes the prices of the packing-house products which are sold on it, because there are brokers on it who have customers all over the world, and it is able thus to determine the relation of supply and demand throughout the world. In this way it has acquired a controlling power in determining prices.

Mr. RYAN (pork and beef packer, Cincinnati) also testifies that he knows of no combination of any kind among packers to control prices. The near uniformity in selling price which exists among the various packers is due to the keen competition in the trade. Each man calculates very closely just what his costs are, and attempts to make what profit he can above that. But the expenses of preparing for market any one class of meat does not differ much in the various establishments, and the margin of profit is very slight, so that it happens that the prices charged do not vary much. Each packer also has to be guided by general market conditions in the prices he asks, so that sometimes one may be forced to sell at any particular time at a loss while another is selling at a profit.

Mr. COWAN (attorney for Cattle Raisers' Association of Texas, etc.) gives a statement received from Armour & Co., showing sales of dressed beef, live cost, dressed cost, selling price, and margin of profit or loss per hundred pounds, as follows:

NEW YORK.

Date of shipment.	Number shipped.	Live cost.	Actual cost.	Selling price.	Freight and selling expense.	Profit.	Loss.
March 9	4	$6.40	$8.92	$10.42	$1.00	$0.50	....
March 2	5	6.63	9.23	10.48	1.00	.25	....
March 1	6	6.65	9.20	10.46	1.00	.26	....
Do	5	6.90	9.45	10.72	1.00	.27	....
March 2	5	6.60	9.11	10.48	1.00	.37	....

BOSTON.

Date of shipment.	Number shipped.	Live cost.	Actual cost.	Selling price.	Freight and selling expense.	Profit.	Loss.
March 9	5	$6.40	$8.92	$10.57	$1.00	$0.65	....
March 16	5	7.75	10.82	11.75	1.00	....	$0.07
March 11	6	7.15	10.03	11.09	1.00	.06	....
February 28	5	6.45	9.17	10.45	1.00	.28	....
Do	4	6.90	9.65	10.69	1.00	.04	....
Do	2	6.75	9.22	10.44	1.00	.22	....
PHILADELPHIA.							
March 9	5	$6.40	$9.01	$10.56	$1.00	$0.55	....
March 2	5	6.63	9.32	10.39	1.00	.07	....
March 9	5	6.75	9.58	10.71	1.00	.13	....
March 2	5	6.60	9.35	10.46	1.00	.11	....
Do	5	6.35	9.22	9.96	1.00	....	$0.26
March 3	9	6.50	9.03	9.96	1.00	....	.07
BALTIMORE.							
March 2	5	$5.90	$9.02	$9.09	$1.00	....	$0.93
Do	4	6.60	9.28	10.09	1.00	....	.19
Do	5	6.35	9.22	9.84	1.00	....	.38
Do	6	5.80	8.15	9.84	1.00	$0.69	....
Do	7	5.84	8.40	9.93	1.00	.53	....
Do	5	6.38	9.30	9.93	1.00	....	.37

Mr. MURDO MACKENZIE (cattle raiser) says that he has never known of a cattle trust among the sellers; that there is no such thing in existence now, to his knowledge, nor has there ever been in his experience in the cattle business, which has been for the past twenty-five years. Mr. MacKenzie, moreover, does not believe that there is any concerted action on the part of the buyers at the Chicago stock yards. There is always competition among them in buying. The packers afford the best market for the cattle raisers, Mr. MacKenzie says, and are a necessity to the business. If it were not for them there would be a great number of cattle that could not be brought to market at all, because there would be no sale for them. They are able to make use of all the stock that the cattle raisers have to sell.

Mr. POWER (cattle and grain farmer) states that he does not believe that the packer makes the price of meat. In his experience when selling cattle at the St. Paul stock yards, Mr. Power has always found a dozen or more buyers there. It is true that Swift & Co. buy the largest number of beef cattle, excepting the feeders and stockers, but that is because they bid the highest for them. There is much more competition in the sale of beef than of wheat. The latter has fixed arbitrary grades established by the state grain commissioner, and has to be sold in car lots at the grade determined by the inspector at the market price of the day, while in a carload of cattle each animal is sold on its individual merits, its value being determined by the individual uses to which it can be put. For the better grades there is always competitive bidding by the packer, the butcher, or the representative of an eastern buyer. On the poor-grade stuff the packer can practically make the price, but he is nevertheless, even at this point, a friend of the farmers, because he is the

only man who can utilize this stuff and find a market for it. The "Meat trust" does not make the price in the yards, whatever it may do after purchase and slaughter.

b. Butter and eggs.—Mr. OYSTER (wholesale dealer in butter, eggs, and cheese, Washington, D. C.) says that the butter he handles comes from the West, from the Elgin butter district, i. e., Illinois, Wisconsin, and Iowa. The price of this butter is fixed by an organization known as the Elgin Board of Trade, which meets on Mondays and makes a price, which, Mr. Oyster thinks, practically guides the country generally. It controls Washington absolutely. "The price is made on Monday and goes into effect the next morning everywhere. Chicago, New York, and the larger cities have their own exchanges, and make their prices daily after that for the week, and then the condition of the supply regulates those prices during the week." This butter on which a price is made is fresh butter; cold-storage butter sells for about 5 cents a pound less.

Mr. KUNKEL (commission dealer in butter, eggs, and cheese, New York City) says that his firm has not bought butter from the Elgin Board of Trade dealers for some years. They do not think that the board gives a New York market quotation. There used to be a clique there which manipulated prices and determined what the Elgin quotation should be. Mr. Walton said that his firm dropped out just when that condition of affairs existed and now has no use for them. Having had no dealings with them for several years, he is not informed as to whether they are continuing to manipulate prices at the present time or not.

Mr. Kunkel says that the egg and butter dealers have no association whatever and never have any agreement as to prices. This, he says, would be a very difficult thing to do.

Mr. JOHN NEWMAN, of Elgin, Ill., president of the Elgin Board of Trade, testifies that the board is an association of men in the butter business, both buyers and sellers, though the latter predominate. There are at present 246 members. Many of these are representatives of creameries, cooperative and centralized, and one member may represent several plants, so that there are between 350 and 450 creameries in the association. Ninety-one of the members of the board are butter dealers from Chicago.

The function of the board, Mr. Newman says, is the making of the market price for Elgin butter. There is no longer any butter made in the immediate vicinity of Elgin, but the board meets once a week on Monday and decides what the Elgin market quotation shall be. The price which it makes then holds till the following Monday. The price is determined by a quotation committee of five, appointed by the president, which meets immediately after the close of the call board, and establishes the market price for that day. There is very little bidding on the board, and the call price does not necessarily agree with the market price as decided upon by the committee. They fix the quotation after looking over the general situation in the large butter markets all over the country. Mr. Newman explains that the Elgin price thus fixed is not an arbitrary price which members are bound to observe, but it is in effect a minimum price, used largely in the Elgin district as a matter of convenience to base contracts upon. Elgin butter is butter sold at Elgin prices and graded according to Elgin standards, which comes from what is known as

the Elgin butter district. This includes northern Illinois, southern Wisconsin, and eastern Iowa. The market price thus determined, Mr. Newman declares, is used by the creameries as a basis for buying as well as selling, the farmers being paid for their milk according to the amount of butter fat which it contains and for which they receive full market price. The creameries depend for their profit upon what is termed the "overrun," which consists of the casein, salt, and other solids which are in the butter and amounts to from 10 to 20 per cent of the whole.

Mr. Delmont E. Wood, of Elgin, Ill., a member of the Elgin Board of Trade and a creamery operator, also affirms that the Elgin market price is not an arbitrary price but a market quotation, determined by conditions of supply and demand. He says, however, that the quotation committee of the board did not exist in the beginning. Originally the representatives of the different creameries came to the board and put up their butter to be sold at auction, and the average price at which butter sold was taken as the controlling price for the Elgin Board of Trade, which governed the contract price. This worked successfully for several years, until some dealers began to manipulate these prices and other buyers who came upon the board and contracted to take the output of different creameries objected, saying that they were not getting a fair market. To obviate this abuse a committee was appointed whose duty it was to "make the market" as explained above by Mr. Newman. The power of appeal from the quotation committee to the board is still a later development which came about because some buyers were dissatisfied with the price given them by the committee.

Mr. Wood says that New York exerts a controlling influence in the determination of the Elgin price, for New York is the great receiver of butter, not only from Elgin, but from all over the West. About three-fourths of the Elgin output is taken by New York, and Mr. Wood testifies that there have been times when Elgin has furnished New York 75 per cent of the fancy creamery butter received there in the winter season. The difference between the New York and Elgin prices, Mr. Wood says, is usually a difference of freight, but the Elgin quotation made on Monday stands all the week and does not attempt to follow the daily fluctuations on the New York market. For example, butter on the New York and Elgin market went up this last winter until the wholesale quotation was 36 cents. This was the situation when the market opened on Monday, January 17, and the Elgin board fixed at that as their quotation for that week. It proved higher than the market could stand, however, and due in part, perhaps to curtailed consumption and in part to a large withdrawal of cold-storage butter in New York and other minor causes, there was a slump on the New York market, and butter dropped to 34, to 32, and by the following Monday to 30 cents. This price the Elgin board met by a drop of 6 cents from the price of the week preceding. Such a drop has never occurred but once before during the past twenty years.

Mr. John J. Walton (commission dealer in butter, eggs, and cheese, New York City) says the Elgin Board of Trade has no influence whatever on the price of butter in New York, but the Elgin price is made after looking over different buying markets—New York, Chicago, and Boston. The Elgin district furnishes very little butter

to the New York market—Mr. Walton thinks not 3 per cent—but distributes very largely in the South and West; a great deal goes South. The price they charge is governed by the market conditions entirely, and if they get it too high and continue to keep it so they lose customers; the latter will come to New York or elsewhere to buy.

Mr. Walton says that the notion of a so-called butter trust is absurd. There are some 10,000 or 20,000 dealers and there are thousands of holders of butter in cold storage. It is to the advantage of the merchants to have prices low. A stationary low market gives greater sales, and the dealer prefers a low price with more sales to a high price and fewer sales; moreover when prices are exceptionally high dealers are apt to be forced to sell on a smaller margin.

c. *Commodities in cold storage.*—Mr. Frank Tilford (wholesale and retail grocer, New York City) says cold storage undoubtedly affects prices. It enables the withdrawal of a large part of the supply into the storage houses, where by holding it the prices of the stock on the market can be kept up. Mr. Tilford thinks there may be a combination among the operators of cold-storage plants to thus hold goods from the market in order to keep up prices; after a certain price is reached, he says, he notices the goods always come out.

Mr. Oyster (wholesale dealer in butter, eggs, and cheese, Washington, D. C.) says cold-storage houses do not control supplies of butter and eggs, or regulate the price; so far as he knows, the operators of cold-storage plants merely rent out space to various dealers and do not buy any produce at all. Mr. Oyster is of the opinion that the cold-storage industry is a modern economic development that could not be dispensed with. It acts as a leveler, by absorbing large quantities of perishable provisions in seasons of plenty, when production is heaviest, and then takes care of the consumptive demand when supplies are lightest and fresh articles would be beyond the reach of most people. Mr. Oyster thinks it impossible for a cold-storage trust to exist, in eggs at least, for the reason that the egg business is too uncertain and there are too many engaged in it. "According to Government statistics, the annual crop of eggs last year was almost 60,000,000 cases. Less than 8 per cent of this amount is stored, and the balance goes direct to the consumer. Chicago alone had 1,000,000 cases, and a most careful canvass at that time showed that they were owned by 619 people or firms."

Mr. Kunkel (commission merchant, butter, eggs, and cheese, New York City) says that cold storage has a tendency to equalize prices of foodstuffs and is a great benefit both to the producer and consumer. Prior to the introduction of cold storage the price varied enormously. In December and January Mr. Kunkel has known the price of eggs to go up to 75 cents and even $1.50 a dozen. They have sold as low as 8 cents a dozen in New York, having been bought for 3 cents a dozen in the West; this was forty years ago. Under the same conditions to-day the farmer would not raise poultry.

Mr. Walker (retail marketman, Washington, D. C.) states that while cold storage may keep up the price of eggs when they are plentiful to a reasonable extent, it also enables the farmers to get re-

turns for eggs that formerly were a total waste, because there was no market for them. Mr. Walker says:

> The operation of cold-storage plants has been made the subject of much unfavorable discussion, and many people seem to be possessed of the idea that these plants are to a great extent responsible for the increase in prices. It is my belief that if it were not for the cold storage, such goods as poultry, eggs, butter, and fish would be much higher than they are. As an example of the advantage of cold storage, the poultry season is at its height from September 15 to the latter part of December, and were it not for the cold storage the market would be glutted and the farmers would receive very small returns for their goods, and after January 15 people of moderate circumstances would be unable to purchase young tender chickens, as the price would be prohibitive until the following July, when the next season would open. As it is they are enabled to have young chickens which are tender and very palatable at a moderate price the season through, and the farmer receives a fair return for his work and outlay of capital. The same thing applies to eggs. At certain seasons all hens are laying and the supply is far greater than the demand, and through the means of cold storage a glut on the market is prevented and people of moderate circumstances are enabled to purchase eggs which are fairly fresh at a reasonable price during the winter months. This was impossible prior to the advent of the cold-storage plants, as eggs were really a luxury, the price being so high that only the wealthy could afford to indulge.

Mr. Walker, however, is in favor of a law governing the length of time such goods could be stored and suggests that a tax be levied on goods held in storage longer than the specified time, which would dispose of any profit obtained thereby; "and it would have the good effect of discouraging large concerns from monopolizing the supply of any certain class of goods for a longer time than the necessary period between seasons, or for the purpose of cornering the market and increasing the price."

d. Groceries.—Mr. JOHN H. MAGRUDER, who has been in the retail grocer business in Washington, D. C., for a number of years, says that while he has never had any direct dealings with the Southern Wholesale Grocers' Association, they have seriously interfered with his business. The association is one of jobbers organized for the protection of their trade, to keep the retailers from buying direct from the manufacturer. Mr. Magruder was refused this privilege by Enoch Morgan's Sons Company (manufacturers of Sapolio) and in reply to his request for direct buying privileges, it was explained to him that the company sold only to jobbers, and their policy could admit of no exceptions however large the retailer's order might be, referring at the same time to the principle of the Southern Wholesale Grocers' Association of supplying jobbers only. Mr. Magruder met a like refusal from the Charles B. Knox Company (Knox's Gelatine). Certain manufacturers who refused to follow this policy, namely, Kirkman & Son, of New York, soap makers, and B. T. Babbitt & Co., also soap makers, were boycotted by the association, and the jobbers in Washington refused to handle their goods.

Mr. SAMUEL HENRY PHILLIPS, of Memphis, Tenn., president of the Southern Wholesale Grocers' Association, says that the object of the association is to persuade the manufacturer that the wholesalers can furnish a better avenue for distribution than he can furnish himself and to protect and preserve the wholesale grocery business. The association does not attempt to coerce manufacturers to sell through them; they merely make their existence known. They have prepared a trade directory, called the "Green Book," in which are recorded the names of all persons who are known to the association to

be wholesale grocers. The book contains, at present, 1,207 names. The theory of the association in preparing such a directory being that the larger avenue they afford the manufacturer in the distribution of his products, the larger avenue they create for themselves.

Mr. Phillips says that when he became president of the association (about ten months ago) it was involved in litigation under the Sherman Act by a Mr. John T. Hammond, in Jacksonville, and by a Mr. Clabaugh, in Birmingham. Mr. Hammond had applied for membership in the Southern Wholesale Grocers' Association, but was adjudged ineligible, whereupon he brought suit. The chairman reads an extract from a letter produced in the case, which indicates that the association prevented Mr. Hammond from buying direct from the manufacturer. The letter was written by a broker in Jacksonville to Mr. Hammond. The quotation follows:

> Confidentially we are not permitted to sell to you now. I am at this time prohibited from selling you goods, as we can not sell anybody that is not a member of the Southern Wholesale Grocers' Association.

Both of these suits are still pending.

In the case of proprietary brands of goods, Mr. Phillips says, the manufacturers fix the price at which they are to be sold, and will give the wholesaler a rebate to sell at that price. Members of the association have in times past been required to pledge themselves to maintain prices on all listed goods; that is, goods listed by manufacturers. The association itself, Mr. Phillips says, has never listed anything. Bonuses received from the manufacturers in return for the maintenance of the list price were on several occasions, at least, distributed by the former president of the Southern Association, Mr. Van Hoose. Also, manufacturers believing in the usefulness of the association have made voluntary contributions to it, Mr. Phillips says, "for its general welfare."

Mr. Phillips asserts, however, that since he has come into the office of the presidency he has been very careful in his conduct of the affairs of the association, due to the litigation in which it is now involved. He has not continued the office of Mr. Van Hoose in the distribution of the rebates, nor has he received any contributions from manufacturers.

Mr. MOORE, secretary of the association, says its objects are as follows:

> To foster and promote the feeling of fellowship and good will among its members, and on broad and equitable lines to advance the welfare of the wholesale grocery trade of the Southern States; to eliminate or minimize abuses, methods, and prices inimical to the proper conduct of business; to establish harmonious relations between manufacturer, jobber, and retailer, to the end that the jobber be universally recognized as the best channel through which the manufacturer should distribute his product to the retailer.

e. Farm machinery.—Mr. POWER (cattle and grain farmer, Illinois) says that since 1900 McCormick binders have risen from $95 to $130. This rise occurred after the formation of the Harvester trust. The machine which they sell at $130 is somewhat better than the one they sold for $95, but there is no material basis for the increased cost. The Harvester trust handles every sort of farm machinery made, but the binder is the only machine of which they have exclusive control. In the sale of this there is no competition, and the buyer is forced to accept their terms. Not only has the company unreasonably ad-

vanced the price of self-binders, but it has changed the methods of sale in such a way as to occasion in many ways a loss to the farmers. Before the formation of the trust an expert was furnished to the purchaser of a new machine, who accompanied it to the farm, set it up, and remained a few hours to instruct the farmer in its operation and insure its running smoothly. In case repairs were needed they were supplied immediately from the stock of a local dealer. Now, however, the farmer must set up his own machine, and in case of a breakdown he must wait until the necessary parts are forwarded by express from the branch house. This is usually located in some large city not necessarily convenient to the grain section, and this delay may result in the loss of considerable time to the farmer.

Mr. SHEPPERD (dean of the agricultural college at Fargo, N. Dak.) questioned the farmers in order to find out what they pay their dealers for binders now as compared with prices paid ten years ago. The common answer was about $25 a machine more. Mr. Shepperd, however, quotes a passage from a speech by Mr. John D. Benton before a meeting of the Tri-State Grain and Stock Growers' Association, which indicates that the latter finds a difference much greater than $25, which he attributes to the Harvester trust. Mr. Benton says:

> I have harvested my grain for five years with a "header." I think it is a matter of economy. I am opposed to the harvester trust the same as I am opposed to the board of trade. I remember very well when I bought harvesters here in Fargo at $86, laid down on my farm at Wheatland, and I remember last year buying a harvester for $125 when that trust was formed. The object of forming that trust, as it was said, was to reduce the price of the machines by reducing the expense, and I think that is true.

f. Cotton.—Mr. CLEVELAND (cotton planter, South Carolina) says that in January, 1905, cotton was 6 cents a pound, and in July following an association of cotton growers met in New Orleans and adopted a resolution to reduce their acreage one-fourth, with a view to raising the price which they could get for the cotton. They succeeded in this, for the following July cotton reached 10½ cents. Mr. Cleveland, however, held his cotton, and at the expiration of three years was able to sell it for about 13 cents. This reduction of acreage, Mr. Cleveland thinks, was maintained to a considerable extent. Though some did not respect it, a great many did, and by that means they got more for a small crop than they did for a big one. He thinks this circumstance has had its weight in the general upward rise there has been in cotton for the last few years.

Mr. STACKHOUSE (cotton planter, South Carolina) testifies that in 1905, when cotton dropped from 10 and 10¼ to 6 cents a pound they started a cotton association, and by holding their cotton off the market they were able to get a little better price.

New York Cotton Exchange.—Mr. PARKER (cotton manufacturer, South Carolina), says that the violent fluctuations in the price of cotton are due to manipulations on the New York Cotton Exchange, which rules the price of cotton generally. The worst feature is the "disrelation" between the price of spot cotton and the price of future or contract cotton. Mr. Parker thinks demand and supply, natural market conditions, should be allowed to fix the price of spot cotton and this in turn should determine contract cotton. As a matter of fact, however, this is not the case; future or contract cotton rather determines what spot cotton shall be. This year contract prices of cotton were selling on the exchange at considerably less than

cotton was selling for in the South, though cotton in New York ought to be approximately three-fourths of a cent more than southern prices.

As an example of how manipulation affects the spinner, Mr. Parker says that in the summer of 1909, when it became evident that there was going to be a shorter crop than the preceding year, there was a general advancing tendency for cotton throughout the summer and early fall. The New York Cotton Exchange at that time had a very small stock of cotton in New York with which to protect the thousands and millions of sales. There was a gradual withdrawal of this and by October the stock had been largely sold. This caused a gradual strengthening of the New York Cotton Exchange price as they had nothing there to protect the price with. There was a gradual rise in the relation between future or contract and spots and early in November the spinners for the first time in the history of the season succeeded in getting cotton goods up to a parity with spot cotton which was necessary in order for them to make a profit. At that time, without a single thing to justify it, one afternoon the future contract market suddenly dropped a cent and a half. This occurred in the face of the fact that Texas was only making 2,500,000 bales of cotton as against 4,000,000 bales the preceding year, as a result of a report from the government expert, which was read out, to the effect that the boll weevil had not done as much damage as expected. The effect of this drop was that Mr. Parker was unable to sell his goods. The buyers felt that cotton was going down to a much lower basis and therefore stopped buying. By the last of December, however, cotton again had gradually advanced to 15 cents based upon the natural law of supply and demand, and stood firm at this price. Everything looked as though finally goods had become settled on a fair basis. There seemed to be no reason why there should not be a good demand; the country was bare of goods, and the government report came out in January, indicating that the supply of cotton was going to be less than even the most extreme "bull" had thought possible. But notwithstanding, a day or two afterwards there was a sudden onslaught on the market and cotton was sent down without any cause 3¼ cents a pound; it broke from 16½ cents on the New York Exchange to 13¼ cents. The only reason Mr. Parker could see for this was speculation. There were extreme sales made on the market and the price broke down.

Mr. Parker says that if he makes contracts for the future sales of his goods, which is the only conservative way for him to do, and enables him to figure upon a mere manufacturing result and not upon the fluctuations of raw material, he has got to either operate on the exchange himself, or else through another man who operates on the exchange. In buying for the future there are three ways—to buy of the producer, which is as a rule impracticable; to buy on the exchange, or to buy of an intermediate man who expects to buy of the producer. If the spinner buys of the intermediate man, however, he must pay him the producer's price plus his profits on the operation, and this man must protect himself against loss and hedge his sales by buying on the exchange.

Mr. Parker believes in an exchange; he thinks that it is the best thing for the producer and the consumer, but he wants to see the abuses which exist at present abolished. The rules of the exchange

are all to the disadvantage of the buyer, that is, the spinner. Deliveries may be made at the convenience of the seller, and he may deliver any grade of cotton he chooses. As there are only certain grades of cotton which the spinner can use, he is unable to insist upon the delivery when the seller does not want to make it. The cotton exchange, moreover, fixes the difference between the price of the cotton which was sold to the spinner, and the low grade which the seller may want to deliver, and the differences may be such as to make it unprofitable for the spinner to accept the cotton.

Mr. Parker is president of the American Cotton Manufacturers' Association, which has about 1,000 members, about evenly divided between the north and south. This association protests against the manipulations of prices by the New York exchange and has proposed certain modifications of its rules calculated to make this impossible. They urge, for one thing, in order to protect against cotton being pushed above a parity with spots, that the New York Cotton Exchange allow deliveries in certain southern centers on a basis of New York prices less the carrying charges. They also urge that sellers limit their deliveries to that class of cotton which is legitimately a spinning cotton.

g. Glass.—Mr. FOOTE (manager of the Grand Rapids Chair Company, and president of the Imperial Furniture Company) testifies regarding the prices of plate glass within the last fifteen years. In explanation of the fact that glass in 1900 cost $3.44 and only $3.08 in 1910, Mr. Foote says that about fifteen years ago the Pittsburg glass manufacturers bought all the glass factories in the United States that they considered worth while. About 1902 and 1903 competition began to be felt again and in 1903 prices dropped to $3.10; in 1904 and 1905 to $2.95; in 1906, 1907, and 1908 to $2.76; but in the fall of 1909 they jumped to $3.08. At present all "independent" factories will give exactly the same quotation for glass, within a fraction of a cent. Mr. Foote is not prepared to say whether this is a trade combination or a very strong general agreement.

In clear glass much the same trend of prices and selling conditions are observable. In 1900 and 1901 a light of glass 20 by 42 sold for 53 cents; in 1902 it was 58 cents; in 1903, 52 cents; in 1904, 58 cents, in 1905, 60 cents; in 1906, 52 cents; in 1907, 48 cents; in 1908, 50 cents; in 1909, 56 cents; and in 1910, 76 cents. This, as Mr. Foote understands it, is attributable to a selling agreement by which all the firms pool their stock and sell through one firm. Mr. Foote thinks up to last fall there was straight competition; that this strong agreement went into effect about then, and that it was the chief factor in the sudden rise of 20 cents per light in the clear glass used by their factory.

2. EXPENSES OF WHOLESALE DEALERS AND PERCENTAGE OF PROFITS.

a. Dealers in provisions.—Mr. AGAR and Mr. RYAN (meat packers of Chicago, Ill., and Cincinnati, respectively), state that expenses in the meat packing business have advanced. Mr. Ryan says his general expenses have advanced about 10 per cent in the last ten years; wages have advanced 25 per cent; Mr. Agar says that the wages he pays have increased 20 per cent in this time. Packers figure very closely in their business and the profit which Mr. Agar makes on his

meat amounts to only about one-fourth cent a pound. His net profits are 6 to 8 per cent on the money invested; interest and dividends must come out of that. Mr. Agar further says that the volume of his business has declined.

Mr. OYSTER (wholesale dealer in butter, eggs, and cheese, Washington, D. C.), states that his expenses have increased and his profits decreased the last few years, gross profits are about 15 per cent and expenses just about half that. Mr. Oyster thinks that the cost of distribution for the trade in general has increased; wages have risen, more help is required in proportion to the volume of the business, and more deliveries.

Mr. KUNKEL (commission dealer in butter, eggs, and cheese, New York City), says the expenses of conducting his business have generally increased. Taxes and rent have advanced, also wages. The latter have probably increased a greater per cent than the price of the goods he sells. Not only are higher wages paid, but additional help is required. A large item of expense arises from the necessity of employing men to canvass trade all over the State. Competition has made it necessary to go after customers, where formerly they used to come to the market. The delivery service has increased materially, because many people who used to come after their goods now require them to be delivered.

b. *Manufacturers.*—Mr. PARKER (cotton manufacturer, South Carolina) says that his expenses of production have increased recently in the way of wages, but his machinery cost has been about the same. Wages reached their highest point at about 1906; in 1907 there was a slight decline, which has lasted up to the present time. In 1897 the price Mr. Parker paid for spinning was 8 cents per side. For that same work he pays 12 cents to-day. The price for weaving 38½ print cloths, known as wide print cloths, was 7 cents; this has increased to 11 cents at the present time. Mr. Parker says there has been, however, a greater increase in the productive capacity of the individual laborer, which has amounted to more than is represented by the wages paid.

The price of cotton goods has advanced, though irregularly, since 1897, when Mr. Parker began manufacturing. At that time wide print cloths were selling as low as 2¾ cents per yard. There was no profit in manufacturing at that price, however, but an absolute loss, even based upon 4½ and 5 cent cotton. These goods advanced with various fluctuations to 7 and 7½ cents a yard in the spring of 1907, which is the highest price they have reached. They are at present selling at 5⅛ and 5¼ cents a yard.

Fluctuation in the price which Mr. Parker must pay for his raw material is responsible largely for the variation in the price at which he sells, for the spinner is obliged to base the price of his goods upon what he has to pay for spot cotton. The violent fluctuations in the price of raw cotton on the market Mr. Parker attributes to manipulations on the New York Cotton Exchange. Speculation in cotton, he thinks, is making more trouble than anything else. "If the present conditions are to be continued," Mr. Parker declares, "if the present rules of the exchange are to be continued, then I tell you I am not a legitimate business man or a manufacturer, but I am a speculator."

Mr. FOOTE (manager of the Grand Rapids Chair Company, and president of the Imperial Furniture Company) gives the items entering into the cost of production as labor, 50 per cent; lumber, 20 per cent; all "overhead" charges, including mirror plates, clear glass, casters, and hardware of all kinds, 30 per cent.

The cost of labor, he says, has advanced about 25 per cent. The following table he submits to show in detail the scale of wages paid in 1900, in 1905, and in 1910:

Rate of pay for employees on the time basis, January 2 of each year, 1900, 1905, and 1910.

[The hours are 10 per day in each occupation and for each year.]

Year.	Engineer.		Foremen.		Cabinetmakers.		Cabinetmakers' helpers.		Carvers.	
	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.
1910	1	$4.81	2	$5.42	73	$2.31	17	$1.56	3	$3.33
1905	1	3.82	2	5.00	74	1.97	11	1.25	4	3.22
1900	1	3.33	2	4.00	76	1.81	7	1.13	9	3.15

Year.	Finishers.		Machine hands.		Unskilled laborers.		Boys.	
	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.
1910	117	$1.84	74	$2.07	65	$1.51	18	$1.00
1905	159	1.62	76	1.99	35	1.45	21	.85
1900	125	1.46	69	1.81	36	1.24	25	.73

Average earnings of pieceworkers in 1900, 1905, and 1910.

[The hours are 10 per day in each occupation and for each year.]

Year.	Pay-roll period.	Cabinetmakers and helpers.		Carvers.	
		Number.	Average earnings per day.	Number.	Average earnings per day.
1910	Jan. 2 to Jan. 28	[a] 24	$2.51	2	$3.25
1905	do	[b] 15	2.84	3	3.15
1900	Jan. 8 to Feb. 3	[b] 15	2.64		

[a] Seven cabinetmakers and 17 helpers.
[b] Proportion of cabinetmakers greater than in 1910.

Average earnings per day for a day period in each year, 1900, 1905, 1910.

Year.	Total number of men, including pieceworkers.	
	Number.	Average earnings per day.
1910	396	$1.95
1905	401	1.80
1900	365	1.63

Practically all kinds of lumber, with the exception of mahogany, have advanced materially. Gum, which was formerly considered worthless, this firm began to use in 1904, and it has become one of the articles most largely consumed. Plate glass is lower now than it was in 1900, but higher than during the middle of the decade. Clear glass has fluctuated during the period, but is higher now than at any time during the preceding ten years.

Mr. Foote presents the following table, showing the average cost of the principal materials entering into the manufacture of furniture in their establishments for each year from 1900 to 1910:

Average cost of principal items of raw material each year from 1900 to 1910.

Year.	White oak: Quarter sawed, 1 inch thick, 6 inches wide or over, firsts and seconds.	White oak: Plain, 1 inch thick, 6 inches wide or over, firsts and seconds.	Sap gum: 1 inch thick, 6 inches wide or over, firsts and seconds.	Red gum: 1 inch thick, 6 inches wide or over, firsts and seconds.	Red gum: Quarter sawed, 1 inch thick, 6 inches wide or over, firsts and seconds.	Mahogany: 1 inch thick, 6 inches wide or over, firsts and seconds.	Mirror: 14 inches by 48 inches, first quality; 1-inch bevel.	Plain glass: 20 inches by 42 inches; double strength AA.
	Per M ft.	*Per M ft.*	*Per M ft.*	*Per M ft.*	*Per M ft.*	*Per M ft.*	*Each.*	*Each.*
1910	$82.00	$50.00	$24.00	$36.00	$46.00	$135.00	$3.08	$0.76
1909	75.00	48.00	23.00	35.00	43.00	135.00	2.76	.56
1908	73.00	47.00	23.50	34.00		140.00	2.76	.50
1907	71.00	47.00	23.50	35.00		150.00	2.76	.48
1906	70.00	47.00	22.00	31.00		150.00	2.76	.52
1905	68.00	40.00	20.50	31.00		150.00	2.95	.60
1904	70.00	39.00	20.00			150.00	2.95	.58
1903	54.00	38.00				160.00	3.10	.52
1902	52.00	34.00				170.00	2.95	.58
1901	50.00	32.00				170.00	3.10	.53
1900	50.00	33.00				180.00	3.44	.53
Increase, 1910, compared with 1900, per cent	64.00	51.20						43.40
Decrease, 1910, compared with 1900, per cent						25.00	10.50	

Mr. John M. Pope (secretary and general manager of the Mercer Pottery Company) testifies that their selling prices have decreased rather than increased. He says that the profits for the last twelve months have been light, not exceeding 5 per cent on the regular stock, but adds that the profits were even less from 1900 to 1905. They use some glass in manufacturing, some of this being imported from England; the price of the imported glass has increased about 10 per cent. Wages have been about stationary with possibly a slight advance.

Mr. Pope says that the cost of labor in potteries in England is much less than in the United States, and gives this as one of the reasons why English potteries can produce the same article as American potteries much more cheaply. As an indentured apprentice in England, Mr. Pope received at the age of 14, 50 cents a week; the next year he received 62 cents a week; for the five succeeding years $1.25 a week. The last two years of his apprenticeship (the apprenticeship was a term of seven years) he received half of what he made on the regular piece basis. Wages have changed very little since then.

Journeymen get a little less, and girls who enter the trade receive only 25 cents a week at the beginning. About two-thirds of the work in an average English pottery establishment is done by apprentices.

The proportion of wages to the value of the shipment in the Mercer Pottery Company was, Mr. Pope says, 64 per cent in 1900 and 1905 and 56 per cent in 1909.

Mr. Callear, of the Maddock Pottery Company, says that there has been little change in either the cost of labor or cost of materials. He estimates that the wages of their employees, taken collectively, have advanced from 3 to 5, or perhaps from 3 to 8, per cent in the last ten years. The cost of materials has advanced on some items, possibly from 2 to 5 per cent. Despite this slight advance in the price of some of the items entering into the cost of production, the prices of their products have decreased somewhat. Mr. Callear gives as the chief reasons for this decrease, keen competition at home and abroad, especially competition with Germany. He says that Germany can make certain lines of china and after paying the transportation charges and the tariff duties can sell in the United States more cheaply than can their company. In fact, they buy all such small articles as candlesticks, hatpin holders, comb, ash, and pin trays from Germany. The same competition is found in all kinds of china toy ware. Mr. Callear thinks the difference in cost of production here and in Germany is due almost wholly to the much lower wages paid by the German potteries. The cost of material is practically the same in both countries. A German pottery manufacturer going through the Maddock works several years ago compared wages in different departments. For pressing "square salads" of three different sizes the Maddock company paid 70, 80, and 90 cents per dozen, while practically the same kind of ware was pressed in the German factory for 5 cents per dozen. In the glazing department the German factory employed women and children and paid $3 a week for the work that the Maddock company was paying $20 a week for. Men doing certain kinds of work in the same department are paid $20 to $23 a week in America as compared with $5 a week in Germany. The high wage cost in America is partially due to the control that labor organizations exert, partially due to laws restricting the employment of girls and women, and partially due to the greater carelessness in handling the goods on the part of American employees.

According to a pottery manufacturer from Germany, a friend of Mr. Callear, the German labor is more skilled, at least in some of the departments, than American labor, though Mr. Callear hesitates to admit this. Mr. Callear also says that wages in English potteries, as he knows them, would run very much lower than in America. It is impossible, Mr. Callear thinks, to compete with either Germany, England, or France in the finer lines of pottery even under present tariff.

The following table shows comparative wages in the United States in 1900 and in 1909, and also wages in the United States and Germany compared.

The Maddock Pottery Company, Lamberton China Works, Trenton, N. J.

	1900.	1909.	Germany.
Clay work:			
7-inch salads, per dozen.	$0.70	All clay work 2 per cent advance since 1900.	Salads, 7-inch, 8-inch, 9-inch, 12 cents per dozen for all sizes.
8-inch salads, per dozen.	.80		
9-inch salads, per dozen.	.90		
Kiln work, glost (piecework).	(a)	No change	Men, $5 per week; girls, $3 per week. For this weekly rate the same amount of labor is performed as is represented by the $20 and $23 in footnote.
Kiln work, bisque (piecework).	(a)	12½ per cent advance	Men, $5 per week; girls, $3 per week. For this weekly rate the same amount of labor is performed as is represented by the $20 and $23 in footnote.
Dipping (piece work) per kiln.	b 11.00	No change	Men, $5 per week; girls, $3 per week. For this weekly rate the same amount of labor is performed as is represented by the $33 in footnote.
Decorating		2 per cent advance since 1900.	
Selling price		2 per cent decline since 1900.	
Materials, all kinds		4 per cent advance since 1900.	

a Weekly wages average between $20 and $23.

b Average week's work 3 kilns, or $33.

C. Advance in Retail Prices.

1. MIDDLEMAN'S PROFITS.

Secretary Wilson says that the inquiry which the Agricultural Department made in 50 cities, large and small, throughout the country, into the wholesale and retail prices of beef showed that the retailer added 38 per cent on an average to what he paid the wholesaler. In New York and Pennsylvania the average is about 20 per cent; Washington, D. C., 42 per cent; some towns in Iowa have over 50 per cent, and Mobile and Shreveport over 60 per cent.

Mr. Keleher (cattle feeder, Illinois) says that one thing which adds to the high cost of living is the excessive profits of the middleman. He believes that we should try to contrive a more direct way between the producer and consumer, which would result in the former obtaining more and the latter paying less. Pork, Mr. Keleher says, is selling in Orion, Ill., to-day for $9 per 100 pounds live weight, and dressed ham for 25 cents a pound; smoked side meat is the same price. The farmer feeds the hog ten months and then the speculator makes from 12 to 15 cents more than the farmer.

Mr. Thos. P. Cooper (assistant agriculturist of the Minnesota experiment station) states that the price the farmer has been receiving for his products has only within late years been sufficient to cover the cost of production, and allow him to make any profit at all. He believes that the enormous increase in the retail price of farm products is to be accounted for by the fact that the middleman is taking a larger and larger slice. For example, milk at the farms at Northfield was sold in 1909 at an average of about 12 cents a gallon. That milk was sent to St. Paul and Minneapolis where it was retailed at 7 cents a quart. In the case of pork, which has advanced so enormously in the retail price, the farmer has, of course, received an increase during the last two years, but it is not nearly the increase the consumers have to pay.

Mr. COWAN (attorney for the Cattle Raisers' Association of Texas and for the National Live Stock Association), in order to determine what the middleman's profits were, secured prices on a steer in the hands of each of the various distributers through which it passed. The original steer weighed about 1,200 pounds and sold at $6.75 per hundredweight on the hoof. It was a 1-year-old steer of extra fine quality. Dressed the carcass weighed 770 pounds, and was sold at 11 cents a pound. The weight, retail price, and cost of the various cuts were estimated for Mr. Cowan by his local butcher at Fort Worth, Tex., as follows:

Cut.	Weight.	Selling price per pound.	Cost per pound.
	Pounds.	*Cents.*	*Cents.*
Front quarters	407	....	11
Ribs	75	18	14
Chucks	189	12-14	10
Plate, brisket, etc	109	10	6
Fore shanks	31	2	5
Hind quarters	363	....	....
Loin	147¾	25	20
Round and rump	180	15	10
Shanks	24½	2	....
Kidney and kidney fat	12½	....	....

This steer at 11 cents for 770 pounds cost the butcher $84. On the estimates given, Mr. Cowan figures, without deducting anything for scraps, that this steer, cut up and sold at retail, brought to this butcher $112.58, or an average of 14.6 cents a pound. Mr. Cowan thinks that this case may be taken as illustrative for any part of the United States.

Mr. POWER (cattle and grain farmer of Power, N. Dak.), in order to find out of what the difference between the farmer's price and the consumer's price consisted, made an investigation similar to that of Mr. Cowan. He followed a transaction through the St. Paul Stock Yards from sale by the farmer to the consumer, taking the outcome from the purchase of a bunch of 15 fairly well finished grain-fed steers, bought by Swift & Co., November 19. The average weight was 1,313 pounds on foot, and they sold at $6.25 per hundredweight. Mr. Power found the average net dressed meat to be 58 per cent of live weight, or 760 pounds of marketable meat, costing the packer $82, or 10¾ cents a pound. Divided into what is called commercial cuts, 26 per cent is in loin and ribs, 25 per cent in the round and rump, and the remainder in the chuck, plate, brisket, flank, and shanks. Swift & Co.'s wholesale list at that date was for an A No. 1 dressed full carcass of this kind 9 cents per pound or $68.40. In the commercial cuts it would aggregate $75.52 or a fraction less than 10 cents a pound. The difference of $13.60 or $6.48 between the selling price and the cost of the animal Swift & Co. made up out of the by-products—hides, tallow, stearin, fertilizer, etc. The annual report of the company for its fiscal year ending October 1 last, shows a profit of 13¾ per cent on its capital stock.

The retailer at the average prices obtained would get in the aggregate $91.50 for the commercial cuts, a fraction over 12 cents per pound. If he buys the uncut carcass he would make a gross return of some 30 per cent; if he buys the commercial cuts, about 20 per cent.

The ordinary butcher does not buy on foot and do his own slaughtering, not only because he has not the appliances for cheap slaughter and can not profitably utilize the by-products, but also because he has comparatively little demand for the 49 per cent of chuck, flank, shanks, etc. Seventy-five per cent of the demand is for the 51 per cent of the better grades and highest-price meats. He can buy of the packer just such cuts as he wants to supply his trade without being loaded up with half a carcass that can only be sold at a loss when having on hand more than his trade demands.

Mr. WALKER (retail merchant, Washington D. C.) says that profits in his business, both wholesale and retail, have decreased. About ten years ago they figured gross profits at 20 per cent, running expenses 12½ to 10 per cent, and net profits at 8 to 10 per cent. This has been cut down, however, and the last year Mr. Walker made less than 6 per cent. He thinks the farmer is getting a larger share of the high prices than the merchant.

Mr. ROLLMAN (retail market man, New York City) says his profits are very small, and have been decreasing the last fifteen years; com petition among the retailers is very sharp and they can not raise prices in proportion as they are raised on them.

Mr. BENEDICT T. LAWRENCE, a retail butcher of Philadelphia, says he sells his meat at about 1 cent a pound advance over what he pays; his gross profits are 15 to 18 per cent.

Mr. BROWN (wholesale and retail butcher, Washington, D. C) thinks that it takes about 15 per cent of his sales to run his business, and gross profits on sales are about 20 per cent.

Mr. CASTLEBERG (wholesale and retail butcher, Richmond, Va.) says that there is great competition in selling and profits have decreased; not only is there a closer margin between selling and buying price, but the per cent of profit on volume of sales has decreased. Mr. Castleberg thinks this generally true in all lines of business.

Mr. EDWARD HALL (general grocer and market man, Washington, D. C.) makes a net profit of about 5 per cent. Gross profits on sales are about 15 per cent.

Mr. HARRISON (general grocer and market man, Baltimore, Md.) says that his gross profits on meat are less than they were in 1900 and less than they were in 1905. He makes a better profit on vegetables than he does on meat; but groceries are sold very close. It takes about 12½ to 15 per cent of his sales to run his general business. His sales amount to about $80,000 a year; one-half of this is for meat. His net profits are from 5 to 7 per cent.

Mr. JOHN EUBANK (general grocer and market man, Richmond, Va.) has found that, while his business has doubled in the last five years, the percentage of his profits has decreased. His sales amount to $70,000 a year, about one-third of which is on meat. Last year his gross profits were about 15 per cent of his sales; his net profit was $2,000, in addition to $1,000 salary which he paid himself.

Mr. ROBERT H. HAWKES, of Richmond, Va., who has a general grocery and market, says that for the last twelve months his business has been less profitable and his sales have also decreased. His business amounts to about $3,000 a month, about one-third of which he receives from the sale of meat. He makes less profit on meat now than he does in the general grocery line.

Mr. PIERCE (wholesale and retail grocer, Boston, Mass.) says last year the volume of his business was about $3,000,000. This was an

increase of about $30,000 over the year before, but gross profits were $93,000 less than the year before. Mr. Pierce thinks that this amount was lost in the higher price paid for numerous small articles for which they could not charge more money.

Mr. FRANK TILFORD (wholesale and retail grocer, New York City) says that ten years ago the volume of his business was $6,500,000 or $7,000,000, while it cost about 6½ per cent to conduct it. To-day, with a business of about $12,000,000, the percentage net profit is just about half, or even less, and absolute profits have even decreased, as well as the percentage. A part of this is due to decreased profits on the sale of particular commodities, but the expenses of conducting the business are very much higher.

Mr. POULTON (general retail market man, Baltimore, Md.) says his profits are minimum. He is barely able to make a living out of his business.

Mr. JOHN A. GREEN, secretary of the National Association of Retail Grocers, furnishes a statement from the Louisiana Grocer illustrating the diminishing profits of the grocer, in refutation of "Secretary of Agriculture Wilson's charge that the retailer is responsible for the advance in the cost of living," as follows:

[The Louisiana Grocer, published monthly by the Retail Grocers' Association. Vol. X, No. 2, New Orleans, La., February, 1910.]

RETAIL GROCERS NOT RESPONSIBLE.

New Orleans merchants refute Secretary of Agriculture Wilson's charge that the retailer is responsible for the advance in the cost of living, with a statement illustrating the diminishing profits of the grocer. The statement follows:

1908.

	Grocery jobbers' selling price to retailers.	Retail grocers' selling price to consumers.	Profit, per cent of gross.
Creamery butter	$0.30½-$0.31	$0.35	12 6/7
Compound lard	.07¼- .07½	.09 - .19	17
Leaf lard	.09 - .09½	.12	20⅘
Choice eggs	.30 - .32	.33 - .35	9⅞
Mag. brand milk	4.80	4.80	10
Queen brand milk	4.60	4.80	4⅙
Cheese	.15	.17½- .20	21
Patent flour, by barrels	5.65	6.50 -6.75	13
S. C. hams	.13½- .14	.15 - .16	15⅝
Breakfast bacon	.16¼- .16¾	.18 - .25	7
S. P. shoulders	.07¼- .07½	.08½- .09	19
Picnic hams	.08¾	.10	12½
Spareribs	a19.50	.07½- .08⅓	21¾
Granulated sugar	.04¾	.05 - .05½	13 7/11
White clarified sugar	.04	.05	20

1909.

	Grocery jobbers' selling price to retailers.	Retail grocers' selling price to consumers.	Profit, per cent of gross.
Creamery butter	$0.34½	$0.37½-$0.40	12½
Compound lard	.07½	.09 - .10	17
Leaf lard	.10¼	.12½	18
Choice eggs	.32	.35	8⅔
Mag. brand milk	4.30	4.80	10½
Queen brand milk	3.70	4.00	7½
Cheese	.16½	.20	17
Patent flour, by barrels	5.65	6.50 - 6.75	13
S. C. hams	.13¾	.15 - .16	14
Breakfast bacon	.16¼	.18	7
S. P. shoulders	.19	.08	9
Picnic hams	.07½	.09	16¾
Spareribs	a19.50	.07½- .08⅓	21¾
Granulated sugar	.04¾	.05 - .05½	13 7/11
White clarified sugar	.04½	.05	10

a For 300.

1910.

	Grocery jobbers' selling price to retailers.	Retail grocers' selling price to consumers.	Profit, per cent of gross.
Creamery butter	$0.40	$0.44	9¼
Compound lard	.10¼	.12½	16
Leaf lard	.15½	.18	13⅞
Choice eggs	.42	.45	6⅔
Mag. brand milk	4.50	5.00	10
Cheese	.19	.22	13½
Patent flour, by barrels	6.50	7.50	13⅓
S. C. hams	.17	.19	10½
Breakfast bacon	.21	.23	8
S. P. shoulders	.12	.13	7¾
Picnic hams	.12¾	.13½- .14	7⅓
Spareribs	.29	.10 - .11	3½
Granulated sugar	4.85	.05½	11⅞
White clarified sugar	.04½	.05	10

Mr. CALLEAR (Maddock Pottery Company) estimates that the jobber dealing in their line of goods receives from 5 to 33⅓ per cent profit. These profits are not as high as they used to be. The jobbers dealing with the Maddock Company sell the pottery direct to the consumer, the hotels, so there is no second profit by the retailer.

Mr. FOOTE (manager of the Grand Rapids Chair Company and president of the Imperial Furniture Company) says in his testimony that the average profit on their sales is 15 per cent, but the difference between their sale price and the price paid by the consumer is 50 per cent. In the large cities the difference will be greater than 50 per cent, but in the small cities less than that. The average costs for a furniture dealer to do business is 32 per cent. Of course the item of freight must be a large one in some localities, and there is a difference between the west coast and the east coast.

2. INCREASED EXPENSE OF RETAIL DISTRIBUTION.

Mr. TILFORD (wholesale and retail grocer, New York City) says the firm's expenses are about 12½ per cent as against 6½ per cent of twelve years ago. He attributes this increased cost to several things; in one store, for example, the rent in 1900 was $30,000 and now it is $59,000, about 100 per cent increase. Wages have advanced 25 or 30 per cent, but these do not figure so importantly as the increased cost of delivery. Expenses for delivery have increased enormously. Ten years ago the firm did not deliver all over Greater New York; now they cover not only all of this territory, but deliver within 200 miles of New York, paying freight on all orders amounting to $5 or over and express on all orders of $10 or more. Competition has made this necessary. Deliveries within the city are a source of greatly increased expense also because of the promptness demanded on the part of the customers. Deliveries two and three times a day no longer suffice; it is necessary to make them every hour. In connection with this cost, the stable expenses have advanced considerably.

Mr. COWAN (attorney for the Cattle Raisers' Association of Texas, etc.) inquired into the profits and expenses made by his retail butcher at Fort Worth, Tex. The latter informed him that the shop is

paying 100 per cent more for the building they occupy than they did when they went into it three or four years ago. Labor is 25 per cent higher. This butcher shop is operated by a manager, who is the owner, and 4 men. The manager pays his men from $14 to $20 a week. Besides this there are expenses for delivery, ice, capital required for current business, and interest on an investment of $2,500 to $3,000 in fixtures.

Mr. PIERCE (wholesale and retail grocer, Boston, Mass.), while unable to state exactly as to what the increased expenses of doing business is due, says that one large item at least is in stable expenses, which rose from $88,000 last year to $103,000 this year. There has been a general advance in wages in the last ten years also, but the per cent of this advance has varied with different classes of employees.

Mr. WALKER (retail market man, Washington, D. C.) says the wages he pays have advanced about 20 per cent in the last ten years, while rents for business property have gone up from 50 to 75 per cent.

Mr. ROLLMAN and Mr. HARRISON (retail market men, New York and Baltimore, respectively) both find that higher wages figure in the increased expenses of doing business.

Mr. POULTON (general grocer and market man, Baltimore, Md.) has been in business thirty-three years, but has not advanced the wages in his stores in that time, though expenses in general have advanced. His customers, who are mostly wage-earners, do not seem as prosperous as they have been, for there are more losses by unpaid grocery bills than there were ten years ago. Mr. Poulton also says that trading stamps are an extra expense which his trade demands. He gives one stamp for every 10-cent purchase, and their cost to him comes directly out of his earnings.

Mr. SONNEHILL (general grocer, Baltimore, Md.) has a business which amounts to about $20,000 a year. Expenses have increased every year, though he hires no help outside the family. There are about 3,500 small grocery stores in Baltimore, all making very small profits.

Mr. CASTLEBERG (wholesale and retail butcher, Richmond, Va.) says his general expenses have advanced; wages have doubled or trebled in ten years. Delivery expenses for feed and horses have increased in like proportion.

Mr. EUBANK (general retail market man, Richmond, Va.) states that wages are 25 per cent higher than they were five years ago. They have not advanced as much as prices, however.

Mr. GREEN (secretary of the National Association of the Retail Grocers) says that there has been a tendency toward increase in expenses during the last ten years. Wages and rents have both advanced, the latter about 20 or 30 per cent. The demand for trading stamps is an expense to the merchant which affects prices, for when he must pay out of his earnings a certain per cent for stamps, he must add that cost to his fixed charges or his expense account in doing business. While this may, in some respects, be paid for out of his net earnings, yet in part, at least, it must be borne by the consumer. Mr. Green believes this is a pernicious system, and should be prohibited by law, inasmuch as it is an attempt to defraud, by enticing people to buy goods with the supposition that they can thus get something for nothing.

D. The Consumers' Influence on Prices.

Higher standard of living.—Mr. Green (secretary of the National Association of Retail Grocers) says:

The increased cost of living is very largely the result of the increased service which the times and the prosperity of the American people demand. It is the result of a general rise in the scale of comfort and convenience. It is a change forced by the universal insistence upon better houses, better foods; in the care taken in preparing it for market, or else in the way it is delivered to consumers, or both.

Mr. Green says, furthermore, that it is not a case of the exaction of the middleman, in such a field as the distribution of food, for there is no freer field of competition than the grocery trade, retail or wholesale. There is no advance in the price of general groceries, but it is the demand for higher quality which makes prices.

Mr. Green quotes a Mr. W. F. Jensen, of the Jensen Creamery Company, of Utah, explaining the high cost of butter. Mr Jensen says:

There are perhaps no food manufacturers in the United States that are less under the control of special interests than butter manufacturers. Another cause of high price is the fact that the American public is more and more demanding the best of everything, and that is true of butter. There is practically no sale of butter that does not possess the best quality.

Mr. MacKenzie (cattle raiser) says that a contributing cause of the high prices of meat is the demand for the best cuts of meat only. If people would buy the cheaper cuts more, the price of meat would not be so high to-day, but there is no demand for these cuts and consequently they have to go into cans.

Mr. Cowan (attorney for the Cattle Raisers' Association of Texas) quotes an address of H. A. Jastro, president of the American Live Stock Association, who says:

The Beef Producers' Association of America was organized for the purpose of averting any threatened shortage in the supply of beef, if such there be, and with the further object of educating the consuming public to a more intelligent use of the cheaper cuts of beef. As they have asked for the cooperation of our association, and for an opportunity to present their plans before us, they were invited to participate in our convention. Arrangements have been made by them for practical demonstration of the meat food values in the different parts of a carcass. This is a particularly pertinent and interesting subject. With the exception of Australasia, Americans eat more beef per capita than any other nation, followed, in the order named, by England, Germany, and France. Last year, in my annual address, I stated that the complaints about the high price of meats arose from the fact that too many of our people wanted only the choice cuts. There are only about 20 per cent of the so-called choice portions in a beef carcass, and, because of the keen demand, quite naturally they sell at a very high premium. The other parts of the animal are just as nutritious, and some parts even more so, and, if properly prepared, are fully as palatable. There is not a city in the country where these inferior or less expensive cuts can not be purchased at from 8 to 10 cents per pound, or even less. Compared with prices abroad, cattle on the hoof are cheap here. In this country, while the prices of choice cuts at the retailers are high, the cheaper cuts go begging at ridiculously low prices. I can not too strongly urge greater attention among our housewives to this very important question of a more intelligent utilization of all the edible parts of a beef animal.

Mr. Ryan (meat packer, Cincinnati, Ohio) says that there is a much larger general consumption of meat in the United States to-day than at any other time in the country's history. The country is more prosperous now, and people can afford to buy meat. It is the increased demand that has caused the high prices.

Mr. John A. Kunkel (commission dealer in butter, eggs, and cheese) furnishes figures, giving receipts and prices of eggs on the New York

market since 1900, which show that while prices have increased 43 per cent from 1900 to 1910, receipts have increased 46 per cent, indicating that prices have not kept pace with the increased demand.

Mr. KELEHER (cattle feeder) speaks as follows on the responsibility of the consumer for high cost of living:

People are living high regardless of cost. What one generation makes the next spends. Round steak at 15 cents a pound contains as much protein and energy, is just as digestible, and is fully as nutritious as tenderloin and sirloin is at 30 cents a pound. When you buy bread at 7½ cents a pound it costs you three times as much as it does when you buy flour at $6 per barrel. Many who have small farms and small incomes, and who really should economize, think it beneath them to use cheaper meats and inexpensive but substantial groceries. People pay for flavor rather than nutriment.

Mr. POWER (cattle and grain farmer) testifies that the price of working clothes for his farm hands has increased very little. He keeps a small supply store at his farm, and working men's suits, he thinks, are not more than 15 cents more to-day than the price at which he sold them ten years ago. There is an increased expenditure on the part of the men for clothing, however, over what it was fifteen years ago, because they are getting better wages and want to wear better clothes.

In regard to expenditures for food Mr. Power says:

Our expanding industries are adding to our already prosperous people the appetite for good things to eat, which expands with the ability to gratify it. The laboring man's pay is largely expended in adding to his creature comforts, and nothing is more satisfying than a table well supplied with good well-cooked food. The American workman is a great meat eater. * * * Consumption is following fast upon the heels of production; some think production is already behind in the race.

Mr. SHEPPERD (dean of the Agricultural College at Fargo, N. Dak.) says that one item which contributes to the higher costs of production of the farmer, is that represented by the higher standard of living of the farming population. A man who doesn't have a telephone now is practically ostracized, and every family has to own a buggy. They dress better and furnish their houses better. "Rural mail delivery is a great benefaction to them, but they spend more, they use more postage stamps, and they particularly take more papers, so that comes in as a charge of some uncertainty." Mr. Shepperd figured the extra cost due to this item of expenditure as amounting to about 50 cents an acre to the small farmer for himself and his family.

E. INFLUENCE OF GOVERNMENTAL MEASURES.

1. TARIFF.

Mr. FRANK TILFORD (wholesale and retail grocer) says that on some imported articles the increased price can be traced to the tariff. On imported wines and brandies the difference in price has been just the difference in the tariff. Macaroni and olive oil have increased slightly, due to the tariff on paper and tin packages.

Mr. WALTON says a reduction in the tariff on butter would help to reduce the price. The present tariff—6 cents—prohibits its importation; also cheese, which is exceptionally high this year, might have been imported from Canada if it had not been for the tariff.

Mr. COWAN (attorney for the Cattle Raisers' Association of Texas) says that the abolition of the tariff on hides has operated to increase

the cost of meat, because the loss occasioned by the fall of price in hides enters into the cost of production. "The lower price than should be received under a protective tariff system if applied to the hides, and the lower price for oleomargarine to-day, in effect, results in adding from $2 to $2.50 per head of cattle to the cost of meat to the consumer."

Mr. Tomlinson (secretary of the American Live Stock Association) says in a paper before that body, quoted by Mr. Cowan:

> The real effect of the tariff on prices has been an indirect influence, caused by the impairment of the sources of food production, in diverting labor from the farm to the factory. Artificial conditions fostered by our tariff system have * * * had a great deal to do with the present exodus from the farm to the city and have contributed largely to high cost of living.

Speaking of the international movement toward commercial expansion, Mr. Tomlinson further says:

> In fact the microbe of expansion has inoculated all the civilized nations. Each nation wants to do all the manufacturing, not only for its home trade, but for the rest of the world. This expansion craze is like carrying coals to New Castle; it is a most outrageous waste of energy. It creates artificial conditions which have a direct and potential bearing on prices all over the world.

Mr. NOBLITT (sheep raiser of Cokeville, Colo.) says that at no time during the past fifteen years have wool growers been able to make more than reasonable profits, except as can be accounted for by the increased valuation of sheep. The wool and mutton producers of the West are praying for a more settled condition from the standpoint of tariff protection; that the President and Congress may get together and stop this agitation about tariff revision long enough for the business of the country to become regulated to existing conditions. There has been a recent decrease in the price of wool, which, in view of the high cost of production and the shortage in supply, Mr. Noblitt is unable to account for except as due to the unceasing agitation about the tariff.

Mr. FOOTE (manager of the Grand Rapids Chair Company and president of the Imperial Furniture Company) testifies that though the tariff has remained the same since the passage of the Dingley bill on the plate glass used by them, and has been lowered slightly, he thinks, on the clear glass, the prices have fluctuated. Plate glass is higher than at any time since 1903, and clear glass is higher than at any time within the last ten years; the latter shows an advance in price of about 43 per cent net over the price of 1900. Both kinds of glass made a sudden advance last fall after the passage of the Payne bill, though there was no increase in the tariff.

Mr. Foote says that it was figured out at the time the tariff bill was passed that the cost of the foreign glass was 16 cents a foot, and of the American product 32 cents a foot, and yet a Saginaw glass concern, in which he had been asked to buy stock, showed in their prospectus glass at 18 cents a foot. In reply to Senator Johnson's question as to whether they were selling glass abroad for less than 15 cents, Mr. Foote says that he doesn't think they "ship much abroad, except in very large plates, which doesn't cut any figure at all." He says that the tariff makes very little difference with them, because a lot of glass is sold in the United States at less than tariff price. "They can probably manufacture glass in this country for less than they can in

any country." He explains that the increase in the tariff on glass came in the two lower brackets, and not in the double strength, double A, best quality glass, which they use.

The tariff of 35 per cent on furniture, Mr. Foote says, is enough so that they do not feel any serious effects from imported furniture. There would always be some demand for imported furniture, just because it was foreign, no matter what the tariff was. He is not prepared to say how much more it costs to make furniture in the United States than in other countries. Canada takes the same stock and wholesales it at 20 per cent less than Mr. Foote's firm does; there are two reasons for this, cheaper lumber and cheaper labor. He adds a little later that some of the Canadian furniture of the same pattern as that made in the United States is not so well made. Mr. Foote implies that this accounts for the considerable importation of furniture from the United States into Canada, despite the lower cost of production in that country and the tariff of about 35 per cent which Canada imposes. He says their firm does not attempt to meet Canada's price, which is about 20 per cent below wholesale prices quoted by the United States firm; they do not bid for Canada's trade, and only sell what Canada asks for.

Mr. Foote is not prepared to say what difference the tariff makes in the price of furniture to the consumer in the United States. Many kinds of furniture made in this country are not affected by the tariff; other kinds are. If the tariff were removed many establishments would be forced out of business, but just how far the removal of the tariff would reduce the price and how long it would take prices to reach a strictly competitive basis Mr. Foote can not state. At present most of the furniture imported is of a very high grade and the furniture manufacturers in the United States have not had to meet the problem of direct competition. However, Mr. Foote says that the American consumer would pay less for some lines of furniture if the tariff were removed. So far as the advance in the prices is concerned, Mr. Foote says, "The tariff has had nothing whatever to do with the advance in furniture."

Mr. Callear (Maddock Pottery Company) says that the competition in certain lines of pottery in the past ten years has been "simply tremendous" despite the tariff. Several years ago a man with whom Mr. Callear became acquainted came to America expecting to establish a factory here for the manufacture of a line of German china. He thought that the 60 or 65 per cent tariff would amply cover the difference between the cost of production in the United States and in Germany, but decided, after investigating wages and prices in potteries here, not to make the venture. He told Mr. Callear that if he would go to Germany and manufacture the same line of goods that he did here he would make more in one year there than he would in three in the United States—"owing to the cost of living, even adding the duty."

Mr. Callear said, in reply to questions concerning the exportation to Canada, that it would be impossible to compete with Germany, France, or England in the finer china with the 25 per cent duty which must be paid. They might compete in a certain class of sanitary earthenware where the cost of transportation is relatively high.

Mr. POPE (Mercer Pottery Company), when asked by the committee whether there would be any profit in business if they were brought into competition with England and Germany, replied that they would be forced out of business.

2. PURE-FOOD LAW.

Mr. WALTON (commission merchant, butter, eggs, and cheese, New York City) says the section of the pure-food law which limits the amount of water which butter may contain to 10 per cent has operated to increase prices. It has reduced the quantity of butter made in the West, because in some of the larger centralized plants before the passage of the law they were forcing from 25 to 28 per cent of water in their butter.

3. OLEOMARGARINE TAX.

Mr. NEWMAN (president Elgin Board of Trade) says if the tax on oleomargarine were reduced it would decrease the price of butter, but it would hurt the butter trade seriously, and be very detrimental to the farmers' interests.

Mr. COWAN (attorney for the Cattle Raisers' Association of Texas) thinks that the tax upon colored oleomargarine is an unjust discrimination. It reduces the value of a western steer from 75 cents to $1 a head. Mr. Cowan says:

> It is an outrage on public decency to exclude a wholesome article of food from being made attractive in appearance for household use in precisely the same way that the dairyman colors his butter for the same purpose. The law was passed to exclude oleomargarine from the trade, and has resulted undoubtedly in eliminating competition between oleomargarine and butter, and has thus enabled the dairyman of the country to levy tribute upon the public at the expense of the cattle producer.

4. MEAT-INSPECTION LAW.

Mr. AGAR (meat packer, Chicago, Ill.) says:

> Without finding any fault with the Government's interpretation of the law in regard to the condemnation of animals and certain parts, I want to illustrate here that it makes quite a difference in the production of edible products. From ¾ to 1½ per cent of all hogs slaughtered are condemned, and, besides, a further condemnation of parts amounting to 1½ pounds per hog on all hogs slaughtered. This reduces the meat food supply very materially.

Mr. MCCARTHY (editor National Provisioner and Secretary American Meat Packers' Association) estimates that the enforcement of the meat-inspection law has driven out of interstate trade at least 600 smaller packers. The necessity of fitting up and remodeling their establishments according to government regulations involved too great an expense for the small firms. One of the direct contributing causes of the high cost of meat to-day is the cost of inspection to the packer. The Meat Packers' Association does not disapprove of the law; it has supported it in every way, and one of the purposes of the association is cooperation with the Government in order to get the law into operation and make its operation as easy as possible. But it is a fact that the law has hurt the small packer and increased the cost of meat. Mr. McCarthy has calculated, on the basis of the total condemnations as given by the Department of Agriculture, that government inspection increases the expense to the packer approximately one-fourth cent a pound on his entire product.

III. WAGES.

A. Wages of Farm and Ranch Hands.

Mr. Walker (retail market man) says one reason for high prices is that it has been almost impossible to get labor to run the farms at anything like a fair price, due to the great movement of the people from the country to the city. Men have gone to the cities and stayed there because they have secured occupations there that paid them better than farming. "As long as a man can get $4 or $6 or $8 a day for high class work in a mill, he certainly will not work for $1 a day which they used to get, and some of them $20 a month, for the hardest kind of work."

Mr. MacKenzie (cattle raiser) says he pays his men on the range about 30 per cent more than he did ten years ago, though the increase varies for different employees. He used to start his men at $20 a month; now he starts them at $25.

Mr. Cowan (attorney for Cattle Raisers' Association of Texas) reports that from his knowledge of the situation wages have advanced materially in the last ten years. The replies which Mr. Cowan presents from twenty ranch men of Texas and New Mexico, touching on the question of increased expenses all indicate that the expense for labor is higher. The extent of the advance in wages is variously estimated from 20 to 40 per cent in the last six to ten years. One reply from E. S. Hastings, of Stamford, Jones County, Tex., says that there has been practically no increase in wages, but the increased cost of maintenance, however, probably makes a difference of about 10 per cent.

Mr. Keleher (cattle feeder) says not only has there been a rise of wages in the last ten years, but the labor is less efficient. A man will not do the work now that he would ten years ago. Mr. Keleher has two classes of laborers—married and single. The former get a house, cow, and the use of a horse and buggy in addition to the money wages. A single man is furnished board and room. There are also harvest hands taken on extra and hired by the day. The following table shows the increase in the wage for these various classes in the last eleven years.

Wages of farm hands, 1900 to 1910.

Year.	Regular hands, with board, per month (single).	Regular hands, without board, per month (married).[a]	Harvest hands, per day.[b]
1910	$35.00	$40.00	
1909	32.00		$2.75
1908	32.00		
1907	33.00		
1906	30.00		
1905	27.00		
1904	25.00		
1903	26.00		
1902	27.00		
1901	24.00		
1900	24.00	30.00	2.00
Average was about	28.00	33.00	

[a] Also house, horse, cow, and garden.

[b] The increase has been most in last three years.

Mr. ROBERTSON (cattle feeder) submits the following table showing wages for farm hands for the last eleven years:

Wages of farm hands, 1900 to 1910.

Year.	Regular hands, with board, per month.	Regular hands, without board, per month.	Harvest hands, per day.
1910	$30 to $35	$30.00 to $40.00	$2.00 to $2.50
1909	30	30.00 to 40.00	2.00 to 2.50
1908	26 to 30	30.00 to 35.00	2.00 to 2.25
1907	26 to 30	30.00 to 35.00	2.00
1906	25 to 28	30.00 to 35.00	2.00
1905	25 to 28	30.00	1.75
1904	25	25.00 to 30.00	1.75
1903	23	25.00 to 28.00	1.50
1902	22	25.00	1.50
1901	21	22.50	1.25
1900	20	20.00	1.25

Mr. PETERSON (cattle and grain farmer) testifies that he is now paying his regular hands $35 a month, including board and washing for a year of twelve months, but most of the farmers are not paying wages as high as this. Monthly wages for farm hands in his district range from $27 to $32.50—they would average about $30—and the majority of farmers employ their help for a period of nine months only. Extra help is always hired at thrashing and harvesting season. The harvest men, called transient help, travel through the country and follow up the seasons, staying two or three weeks here and there. The extra labor employed at this season cost Mr. Peterson about $65 for thrashing wheat and from $50 to $60 for corn picking.

Wages have risen to a considerable degree in the last two years, as is shown by the following statement submitted by Mr. Peterson:

Average price per month of farm labor, 1900 to 1910.

1900	$18.00	1906	$25.00
1901	$19.00- 20.00	1907	27.50
1902	22.50	1908	27.50
1903	22.50	1909	30.00
1904	25.00	1910	30.00
1905	22.50		

Mr. POWER (cattle and grain farmer) says that his farm wages commencing in 1900 were $20 a month, and they have now run up to $35. Mr. Power uses a little different method than most farmers do in keeping his labor account. He pays his men by a system of grading, so that wages vary according to the season. For example, if the monthly wage for eight months was to be $25, instead of paying that same rate all through from April to November, Mr. Power will start his men in April at $15, this being a little below the regular rate for that month. In June there is a slight rise, and by July his hands are getting regular wages. When thrashing time comes, Mr. Power pays the highest wages. He grades the wages so, however, that the aggregate will be about the same as if he paid them on the other basis. In this way Mr. Power is less likely to lose his help at the busiest season by having them leave for higher wages elsewhere. The average farmer hires his help for short periods as he needs them and then drops them in the interval. Mr. Power, however, runs his help straight through the eight months.

As a part of his labor costs, Mr. Power figures in the cost of board. This has ranged from 32 to 40 cents a day. It has been gradually increasing, but that has been largely by reason of the increase in the cost of labor service required in preparing and serving the food. The cost of material has not varied much. To determine the cost of board Mr. Power charges groceries, which go to the house, at ordinary retail prices, cash cost of meats they buy, and market value of meats they kill, labor in producing the garden vegetables, labor of the man who milks and does other chores work, the cost of fuel, the cost of ice, and servants' wages.

The high price of farm labor, Mr. Power says, seems to be due to an apparent scarcity in every direction for which he is unable to account. He submits the following tables, showing wages for the various classes of farm hands and an analysis of labor costs for various services:

Wages of farm hands, 1900 to 1910.

	Regular hands, per month and board.	Harvest, etc., extras, per day and board.	Thrashing, including board.	Average daily wage, including board.
1910	$35.00			
1909	27.50	$2.50	a $2.50	$0.94½
1908	27.50	2.50	a 2.50	1.00
1907	25.00	2.00	2.25	.97
1906	25.00	2.00	2.25	.97
1905	25.00	1.75	2.25	1.08
1904	22.50	1.50	2.00	.91
1903	22.00	1.50	2.00	.87
1902	20.00	1.25	1.75	.82
1901	20.00	1.25	1.75	.82
1900	20.00	1.25	1.75	.82½

a $3 and up.

NOTE.—Wages per month, in colum 1, are for the season of eight months April to November, inclusive. Winter wages for the four months ranged from $10 to $20 per month, including board, from 1900 to 1909, inclusive. Average daily wage, including board, in column 4, includes the regular and extra help and servants' wages. Cost of board during these years has ranged from 32 cents to 40 cents per day per capita, and includes the board of family and guests.

Consolidation of labor accounts, 1909.

Character of work.	Days.	Amount.	Character of work.	Days.	Amount.
Sundays	238		Chores	365	$313
Miscellaneous	206	$251	Herding	103	76
Stable	766	665	Wood, including sawing (60 cords)	105	131
Seeding (429 acres)	31	33	Grinding	20	36
Disking	12	9	Ice	17	16
Stubble plowing	110	140	Repairs to buildings	23	27
Manure haul	27	25	Repairs to fences	80	82
Haying (450 loads)	214	308	Servants	811	488
Harvesting	69	126	Total	3,419	3,220
Thrashing	104	310			
Corn	80	128			
Garden	39	45			

Average per day 94.18 cents.

Mr. NOBLITT (sheep grower) says that there has been a general advance in the wages he pays in the last fifteen years of approximately 60 per cent. This advance, though the rate paid in Mr. Noblitt's section is higher, is proportionate all through the State.

Mr. Noblitt submits a statement showing the wages he has paid his men during the last fifteen years, as follows:

Wages paid in the care of sheep.

	1910.	1909.	1905.	1900.	1895.
Wages of foreman	$90.00	$90.00	$75.00	$50.00	$40.00
Wages of herders	50.00	50.00	42.50	40.00	32.50
Wages of camp movers	47.50	47.50	40.00	37.50	25.00
Cost of shearing, per head	.16	.16	.13	.10	.09

Mr. SHEPPERD (dean of the Agricultural College at Fargo, N. Dak.) testifies that the cost of farm labor has increased in the last ten years about 60 per cent. Labor has failed to come in in the spring and the farmers have had to increase their bidding price in order to secure it. The farmers find, moreover, that as the price goes up efficiency in general goes down. Mr. Shepperd has no satisfactory explanation for this shortage in the supply of farm labor unless it be that there is a demand for it in some other occupations. He thinks, however, that the number of farmers' boys who remain on the farm in the Northwest has increased during the last decade greatly. Their pride in the occupation of farming has been stimulated by the knowledge they have acquired through agricultural colleges. Also the increased comforts and enjoyments which are now available on the farm through the telephone, rural free delivery, etc., have made the boys more willing to stay on the farm. These changes which have given dignity to the occupation of farming and made it more attractive have not served to draw laboring men from the city to the farms. Mr. Shepperd thinks this must be because of the long hours required and because the wage with board sounds small compared with the wage where they have to pay their own living, and they do not properly take into consideration the value of the living furnished.

Mr. Shepperd presents a statement of the wages paid farm hands as follows:

Wages of farm hands, 1900 to 1910.

Year.	Regular hands, with board, per month.	Regular hands, without board, per month.	Harvest hands, per day.
1910	$35.00	$50.00	
1909	32.00	50.00	$2.50
1908	32.00	50.00	2.50
1907	32.00	50.00	2.50
1906	23.50	38.50	2.50
1905	23.50	38.50	2.00
1904	23.50	38.50	2.00
1903	21.00	33.00	2.00
1902	21.00	32.00	2.00
1901	20.00	32.00	2.00
1900	20.00	32.00	2.00

Mr. COOPER (assistant agriculturist of the Minnesota experiment station) has worked out very carefully the labor costs in production as shown by the experiment farms which were established in 1902 by the Minnesota experiment station and the United States Department of Agriculture. These tables all show the price of farm labor has increased. In addition to the higher wages paid, Mr. Cooper thinks that there has been a slight decrease in labor efficiency. The statement showing labor costs follow.

Average rate of wages per hour (including cost of board) for man labor hired by the month, years 1905 to 1909.

Year.	Northfield.[a]	Marshall.[a]	Halstad.[a]
1905	$0.113	$0.1223	$0.1189
1906	.1174	.1168	.1141
1907	.1336	.1286	.1168
1908	.1385	.1377	.1359
1909	.1442	.1454	.1353
	Per cent.	*Per cent.*	*Per cent.*
Increase, 1905 to 1909	27.6	18.8	13.8

[a] Northfield, Marshall, and Halstad refer to the several experimental farms.

Average cost of man labor hired by day—crop season.

Year.	Northfield.	Marshall.	Halstad.
1906	$0.2391	$0.2225	$0.1911
1907	.2498	.1894	.1972
1908	.2985	.2033	.1833
1909	.2424	.1851	.1996

The following table shows the average cost of man labor hired by the month based upon the crop season, when employment is the greatest, and the winter season, when comparatively little labor is hired. As will be noted, the increase in cost of labor during the crop season is fully as great as that shown in the previous table, giving the average rate of wages per hour for the year:

Average cost of man labor by month.

Year.	Northfield.		Marshall.		Halstad.	
	Crop season.	Winter season.	Crop season.	Winter season.	Crop season.	Winter season.
1905	$0.1163	$0.1084	$0.1323	$0.1084	$0.1256	$0.1095
1906	.1202	.1133	.1224	.1088	.1151	.1126
1907	.1467	.1152	.1349	.1199	.1132	.1216
1908	.1376	.1410	.1324	.1547	.1372	.1352
1909	.1495	.1284	.1465	.1438	.1133	.1413

Crop season, months April to November, inclusive. Winter season, months December to March, inclusive.

Mr. HOARD (dairy farmer) submits by letter the following statement showing the wages paid farm hands. The figures given are based upon Mr. Hoard's knowledge of dairy farming in his section of the country (Fort Atkinson, Wis.) and upon his knowledge of general farm management:

Wages of farm hands.

Year.	Regular hands, with board, per month.	Regular hands, without board, per year.[a]	Harvest hands per day (estimated).[b]
1910	$25-$35	$300	$2.50
1909	25- 35	300	....
1908	25- 30	300	2.00
1907	20- 25	....	....
1906	20- 25	....	....
1905	20- 25	....	....
1904	18- 25	....	....
1903	18- 25	....	....
1902	18- 25	....	....
1901	18- 25	....	....
1900	18- 20	200	1.50

[a] This is an estimate covering conditions where dairy farming chiefly prevails. House rent, garden, milk, etc., included.

Mr. CLEVELAND (cotton planter, South Carolina) says that the wages of farm labor have undeniably increased. Wages in 1906, including board, were in the neighborhood of $8 and $10 a month. From that they have risen to $12 and $15 a month.

The following table shows what the change in the rate of wages has been since 1905:

Wages paid farm hands.

Year.	Hands employed by the year.		Cotton pickers (per 100 pounds).
	With board.	Without board.	
1910	$12.00-$15.00	$20.00	$0.50-$0.75
1909	12.00- 15.00	20.00	.50- .75
1908	10.00- 15.00	18.00	.40- .60
1907	10.00- 12.00	18.00	.40- .50
1906	9.00- 12.00	15.00	.40- .50
1905	8.00- 10.00	12.00	.35- .50

Mr. STACKHOUSE (cotton planter) testifies that in his section (Dillion, S. C.), where they pay money wages, these have gone up 300 per cent. This is for colored labor. From 1885 to 1900 Mr. Stackhouse hired his labor at $6 a month; now some of his neighbors pay $20 a month. This includes everything furnished except their clothes. Under the other system, where a share of the crop is given instead of a money wage, there has been no change in the proportion which the laborer gets; that is still one-half. But as cotton has advanced in price, the tenant's share of course has brought him more money. Mr. Stackhouse estimates, in general, that for farm labor of all classes, that is, hands employed by the year and by the season, with and without board, and cotton pickers paid per 100 pounds, that for these classes the advance in wages paid has been about 100 per cent.

Mr. HICKEY (cotton planter) reports an advance of wages in his State (Texas) of from $8 and $10 a month to $18 and $20. This includes food and lodging and is for day and month labor. The hands are not employed for the whole year. A statement showing the advance in farm wages for the last eleven years is presented by Mr. Hickey as follows:

Wages paid farm hands.

Year.	Hands employed by the year (per month).		Hands employed by the season (per month).		Cotton pickers (per 100 pounds).[a]
	With board.	Without board.	With board.	Without board.	
1910	$20.00	$25.00	$20.00	$30.00	....
1909	20.00	25.00	20.00	30.00	$0.50
1908	15.00	20.00	18.00	25.00	$0.50- .75
1907	15.00	20.00	18.00	25.00	.50- .60
1906	12.50	16.00	15.00	20.00	.50- .60
1905	12.50	16.00	15.00	20.00	.50- .75
1904	12.50	16.00	15.00	20.00	.50- .75
1903	10.00	15.00	12.50	18.00	.50- .60
1902	10.00	15.00	12.50	18.00	.50- .60
1901	10.00	15.00	12.50	18.00	.50- .60
1900	10.00	15.00	12.50	18.00	.50- .60

[a] The range of prices in the black lands in middle Texas was about 20 per cent higher for picking cotton.

B. WAGES PAID BY WHOLESALE AND RETAIL DEALERS IN FOOD.

Mr. AGAR (meat packer) says he is paying about 20 per cent higher wages to-day than he paid five years ago.

Mr. RYAN (meat packer) has a weekly pay roll of between $5,000 and $6,000, and he has about 300 employees. The average cost of labor last year, including all expenses which enter into the handling of beef, was about $2.25 per head on cattle. Mr. Ryan pays his skilled workmen $5 a day; none of the others get less than $1.75 a day, except the girls who work in the canning room. They get about $1 a day; some more. Wages are from 15 to 20 per cent higher than they were six years ago, and 25 per cent higher than ten years ago.

Mr. KUNKEL (wholesale dealer in eggs, butter, and cheese) says that his firm employs about 40 men. The egg candlers receive from $16 to $18 per week now as compared with $12 to $14 ten years ago. The wages of the clerks have risen about 15 per cent in that time. From 1890 to 1900 the wages of these employees, however, were practically stationary. Mr. Kunkel thinks that the wages he pays have increased in greater proportion than the goods he sells, but is not positive on this point.

Mr. OYSTER (wholesale dealer in butter, eggs, and cheese) says that his expenses have increased generally, including wages.

Mr. WALKER (retail market man) thinks that wages have increased 20 per cent in the last ten years.

Mr. ROLLMAN (retail market man) says there has been quite an advance in the wages he pays since fifteen years ago. Then he had butchers working for him at $14 a week. To-day he is paying $18 and $20 a week. He has raised his butchers about $2 since five years ago. Drivers he is now paying $15 a week whom he paid $10 and $12 ten years ago.

Mr. HARRISON (general grocer and market man) pays on an average of $2 a week more per employee than he did five years ago. Wages now range from $7 to $14, and formerly they ran from $5 to $12.

Mr. HALL (general grocer and market man) finds very little difference in the cost of help now as compared with ten years ago. As a general rule, Mr. Hall thinks he pays from $1 to $2 a week more, according to the clerk; the percentage of advance is about 10 per cent. His clerks now receive from $8 to $18.

Mr. POULTON (market man and general grocer) has made no change in the wages he pays since he has been in business, which is thirty-three years. He employs two young men at present who have made the same wages ever since they have been there. Mr. Poulton says his customers, who are mostly mechanics and laborers, probably receive from $1.10 to $4 a day. He knows of no advance in their wages; and they seem less able to pay their bills now than they were five and ten years ago.

Mr. BRAUER (wholesale and retail butcher) has five employees, and wages he says are fully one-fourth more than they were ten years ago. He pays $10 a week now for a man he could have gotten for $7 then, and $6 for a boy he could have gotten for $3 or $4 at that time.

Mr. CASTLEBERG (wholesale and retail butcher) says wages are very much higher. He thinks they have doubled or trebled in ten years' time, for he pays a man $16 to $18 a week now for doing work he could have gotten a colored man to do at $6 a week then.

Mr. HAWKS (general grocer and market man) says he is paying a man now $2.50 to $3 a week more than he did two years ago, while he is paying a young woman bookkeeper $10 whom he paid $5 four years ago when he engaged her.

Mr. GREEN (secretary National Association of Retail Grocers) finds that the expense for his help has increased. Ten years ago he could get a boy for $8 to $10 to do work for which he has to pay a man $15 to $18 now.

Mr. PIERCE (wholesale and retail grocer) says the wages for his ordinary employees have increased from $5 and $12 to $14 and $15 in the last ten years. He thinks the general increase may average 20 per cent higher than ten years ago, but it varies so much for different grades of employees that the percentage is difficult to estimate.

Mr. EUBANK (general market man and grocer) estimates that the wages he pays to-day are 25 per cent higher than they were five years ago. Wages have been gradually rising every year, but Mr. Eubank does not think they have advanced as much in proportion as the prices of groceries and the commodities he sells.

Mr. TILFORD (wholesale and retail grocer) says that wages have advanced about 25 or 30 per cent in the last ten years.

C. WAGES OF FACTORY EMPLOYEES.

Cotton mill.—Mr. PARKER (cotton manufacturer) states that the wages of his employees advanced from 1904 to 1906, when the maximum wage was probably reached. In 1907 there was a very slight decline which has reached up to the present time, so that practically the wages he is paying now are the same as those paid at the period

immediately preceding the panic of 1907. Mr. Parker employs approximately 4,000 workers, who are actual employees, but the number of employees and dependents would probably run from 8,000 to 10,000. Out of the 4,000 approximately 70 per cent are female and 30 per cent male, while children under 16 form about 10 or 12 per cent.

Mr. Parker says that he pays practically all his labor by the piece or the machine. In 1897, when he began manufacturing, the price he paid for spinning, which is a department in which the children are mostly employed, was 8 cents per side. For that same spinning to-day he is paying 12 cents a side, an increase of 50 per cent. In this same period the price paid for weaving 38½ print cloths, known as wide print cloths, has advanced from 7 to 11 cents. In addition to these facts Mr. Parker says there has been a steady increase in the productive capacity of the individual laborer, which has amounted to more than is represented by the increase in wages paid.

Furniture.—Mr. Foote (manager of the Grand Rapids Chair Company and president of the Imperial Furniture Company) says that there has been an advance of about 25 per cent in wages in their establishment. During the past ten years the salary of the superintendent, who is also vice-president, and the salary of the manager, who is also secretary and treasurer, have not changed. The greatest advance has come in the salaries of engineers and foremen, good men whom they could not afford to lose. There has been a somewhat smaller advance in the salaries of clerks.

Mr. Foote presents in the tables below the rate of pay and average earnings per day of their employees in specified occupations, in 1900, in 1905, and in 1910:

Rate of pay for employees on the time basis, January 2 of each year, 1900, 1905, and 1910.

[The hours are 10 per day in each occupation and for each year.]

Year.	Engineer.		Foremen.		Cabinetmakers.		Cabinetmakers' helpers.		Carvers.	
	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.
1910	1	$4.81	2	$5.42	73	$2.31	17	$1.56	3	$3.33
1905	1	3.82	2	5.00	74	1.97	11	1.25	4	3.22
1900	1	3.33	2	4.60	76	1.81	7	1.13	9	3.15

Year.	Finishers.		Machine hands.		Unskilled laborers.		Boys.	
	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.	Number.	Rate per day.
1910	117	$1.84	74	$2.07	65	$1.51	18	$1.00
1905	159	1.62	76	1.99	35	1.45	21	.85
1900	125	1.46	69	1.81	36	1.24	25	.73